

# **Defense: FY2013 Authorization and Appropriations**

Updated May 17, 2013

**Congressional Research Service**

<https://crsreports.congress.gov>

R42607

## Summary

President Obama requested \$613.9 billion in discretionary budget authority for the Department of Defense in Fiscal Year 2013, which is \$31.8 billion less than had been appropriated for the agency in FY2012. The end of U.S. combat in Iraq and the declining tempo of operations in Afghanistan accounted for the bulk of the overall reduction: The budget request for Overseas Contingency Operations (OCO)—DOD activities in those two countries—was \$88.5 billion, which is \$26.6 billion less than was provided for those operations in FY2012.

However, the Administration's \$525.4 billion request for DOD's so-called "base budget"—funds for all DOD activities other than OCO—was \$5.2 billion less than was provided for FY2012 and \$45.3 billion less than the FY2013 base budget the Administration had projected a year earlier, in February of 2011. The proposed reduction in the base budget—and planned reductions of more than \$50 billion per year through FY2021, compared with the FY2011 projection—reflected the Administration's effort to reduce federal spending as required by the Budget Control Act (BCA) of 2011, enacted on August 2, 2011 (P.L. 112-25). All told, the Obama Administration's February 2012 projection would reduce DOD budgets by \$486.9 billion over a 10-year period (FY2012-FY2021), compared with its February 2011 plan. (See “

FY2013 Defense Budget Overview.”)

According to the Administration, the FY2013 DOD budget request was consistent with the initial spending caps set by the BCA. However, both H.R. 4310, the version of the FY2013 National Defense Authorization Act (NDAA) passed by the House on May 18, 2012, and H.R. 5856, the companion DOD appropriations bill for FY2013, reported by the House Appropriations Committee on May 25, 2012, exceeded the Administration request for those bills—by \$3.7 billion in the case of the authorization bill and by \$3.1 billion in the case of the appropriation bill.

On the other hand, S. 3254, the version of the NDAA reported June 4, 2012, by the Senate Armed Services Committee, and the version of the DOD appropriations bill (H.R. 5856) reported by the Senate Appropriations Committee on August 2, 2012, kept FY2013 DOD funding within the initial BCA caps.

Neither the House nor the Senate considered either an NDAA or a DOD appropriations bill for FY2013 that conformed to the lowered BCA caps on defense spending.

The compromise version of the authorization bill (H.R. 4310), enacted on January 2, 2013 as P.L. 112-239, would authorize \$544.9 billion for DOD's base budget—roughly splitting the difference between the House and Senate bills—and would authorize \$88.5 billion for war costs.

In general terms, the House-passed and Senate committee-reported versions of the first DOD appropriations bill for FY2013 (H.R. 5856) paralleled the House and Senate versions of the FY2013 NDAA, respectively. However, the Senate did not act on that bill. For nearly the first six months of FY2013, DOD and other federal agencies had been funded by a continuing resolution (H.J.Res. 117; P.L. 112-175). On March 21, 2013, Congress sent to the White House H.R. 933, the Consolidated and Continuing Appropriations Act, which the President signed into law (P.L. 113-6) on March 26, 2013. Division C of that legislation is the Department of Defense Appropriations bill for FY2013 (See “DOD Appropriations Overview”). Although the amount provided by that section of the bill was \$287.4 million more than the Administration's request for programs covered by that division of H.R. 933, the overall level of DOD funding provided by H.R. 933 (including funds provided for military construction in Division E) exceeded the request by \$323.8 million.

Since the total DOD funding level for FY2013 of \$607.7 billion exceeds the BCA spending cap, that law requires that DOD funds be reduced (or “sequestered”) by \$35.0 billion before the end of the fiscal year. As of May 15, 2013, the Administration has not allocated the required reduction among specific DOD programs. All FY2013 appropriations amounts cited in this report reflect the amounts appropriated by H.R. 933 prior to sequestration.

# Contents

|  |    |
|--|----|
| Most Recent Legislative Action .....                             | 1  |
| Status of Legislation .....                                      | 1  |
| FY2013 Defense Budget Overview .....                             | 2  |
| Base Budget Highlights .....                                     | 5  |
| New Strategic Guidance .....                                     | 5  |
| Force Structure, Readiness .....                                 | 6  |
| Military Personnel Issues .....                                  | 7  |
| Pay Raise .....  | 7  |
| TRICARE Pharmacy Fees .....                                      | 8  |
| Modernization .....  | 8  |
| Overseas Contingency Operations Highlights .....                 | 9  |
| Bill-by-Bill Analysis .....                                      | 10 |
| FY2013 National Defense Authorization Act .....                  | 10 |
| NDAA: The Broad Outlines .....                                   | 12 |
| Military Personnel Issues (Authorization) .....                  | 15 |
| Proposed Reductions in Personnel and Force Structure .....       | 16 |
| Ground Combat Equipment (Authorization) .....                    | 21 |
| Naval Systems (Authorization) .....                              | 22 |
| Aircraft and Long-Range Strike Systems (Authorization) .....     | 24 |
| Ballistic Missile Defense (Authorization) .....                  | 25 |
| Ground-based Midcourse Defense (GMD) Enhancement .....           | 25 |
| MEADS (Medium Extended Air Defense System) Authorization .....   | 26 |
| Commercial Satellite Export Rules .....                          | 26 |
| Provisions Relating to Wartime Detainees .....                   | 26 |
| Smith-Mundt Act .....  | 28 |
| House Floor Amendments .....                                     | 29 |
| Senate Floor Amendments .....                                    | 32 |
| FY2013 DOD Appropriations Bill .....                             | 35 |
| DOD Appropriations Overview .....                                | 35 |
| Proposed Administration Savings and Congressional Response ..... | 37 |
| Congressional Initiatives .....                                  | 39 |
| Funding Offsets .....  | 41 |
| Military Personnel and Force Structure (Appropriations) .....    | 43 |
| Reduction in Personnel Transfers .....                           | 44 |
| Depot Maintenance ‘Carryover’ .....                              | 44 |
| TRICARE Fee Increases and Cost Savings .....                     | 45 |
| Ground Combat Systems Appropriations .....                       | 46 |
| Naval Systems Appropriations .....                               | 47 |
| Aircraft Appropriations .....                                    | 48 |
| Missile Defense Appropriations .....                             | 49 |
| OCO Funding: Afghanistan and Related Activities .....            | 49 |
| House Floor Amendments .....                                     | 51 |
| Senate Floor Amendments .....                                    | 53 |

## Figures

|   |    |
|---|----|
| Figure 1. DOD Discretionary Budget Authority, FY2007-FY2013 .....                           | 3  |
| Figure 2. Obama Administration DOD Budget Projections: February 2011 and February 2012..... | 4  |
| Figure 3. OCO Funding by Country .....  | 10 |
| Figure 4. U.S. Troop Level by Country.....  | 10 |

## Tables

|   |    |
|---|----|
| Table 1. FY2013 National Defense Authorization Act (H.R. 4310; S. 3254) .....                               | 1  |
| Table 2. FY2013 DOD Appropriations Act (H.R. 5856; H.R. 933) .....  | 1  |
| Table 3. FY2013 National Defense Budget Function (050): Administration Request .....                        | 2  |
| Table 4. FY2013 DOD Discretionary Budget Authority: February 2011 Projection and February 2012 Request..... | 6  |
| Table 5. Active Military End Strength.....  | 7  |
| Table 6. FY2013 National Defense Authorization Act (H.R. 4310; S. 3254) .....                               | 11 |
| Table 7. Selected Administration Budget Initiatives .....   | 12 |
| Table 8. Selected Congressional Funding Increases.....  | 14 |
| Table 9. Selected Funding Offsets .....   | 15 |
| Table 10. Current and Proposed FY2013 End-Strength for Active and Reserve Component Forces.....             | 16 |
| Table 11. FY2013 Missile Sub R&D Funding .....  | 23 |
| Table 12. Selected House Floor Amendments to FY2013 National Defense Authorization Act (H.R. 4310).....     | 29 |
| Table 13. Selected Senate Floor Amendments to FY2013 National Defense Authorization Act (S. 3254).....      | 33 |
| Table 14. FY2013 DOD Appropriations Act (H.R. 5856).....  | 36 |
| Table 15. Administration Budget Reduction Initiatives and Congressional Reversals .....                     | 37 |
| Table 16. Selected Congressional Actions.....   | 39 |
| Table 17. Selected Funding Offsets .....  | 41 |
| Table 18. OCO Funding Highlights in FY2013 DOD Appropriations Bill (H.R. 5856, H.R. 933).....               | 50 |
| Table 19. Selected House Floor Amendments to FY2013 DOD Appropriations Act (H.R. 5856) .....                | 51 |
| Table 20. Selected Senate Floor Amendments to FY2013 DOD Appropriations Act (H.R. 933) .....                | 54 |
| Table A-1. Congressional Action on Selected FY2013 Missile Defense Funding Authorization.....               | 55 |
| Table A-2. Congressional Action on Selected FY2013 Missile Defense Funding Appropriation .....              | 58 |
| Table A-3. Congressional Action on Selected FY2013 Army Ground Combat Programs: Authorization.....          | 61 |

|  |    |
|--|----|
| Table A-4. Congressional Action on Selected FY2013 Army Ground Combat Programs:<br>Appropriation .....               | 63 |
| Table A-5. Congressional Action on Selected FY2013 Shipbuilding and Modernization<br>Programs: Authorization .....   | 64 |
| Table A-6. Congressional Action on Selected FY2013 Shipbuilding and Modernization<br>Programs: Appropriation .....   | 67 |
| Table A-7. Congressional Action on Selected FY2013 Space Programs: Authorization .....                               | 70 |
| Table A-8. Congressional Action on Selected FY2013 Space Programs: Appropriation .....                               | 71 |
| Table A-9. Congressional Action on Selected FY2013 Aircraft and Long-Range Missile<br>Programs: Authorization .....  | 72 |
| Table A-10. Congressional Action on Selected FY2013 Aircraft and Long-Range Missile<br>Programs: Appropriation ..... | 77 |

## **Appendixes**

|  |    |
|--|----|
| Appendix A. Selected Program Funding Tables..... | 55 |
|--|----|

## **Contacts**

|                         |    |
|-------------------------|----|
| Author Information..... | 82 |
|-------------------------|----|

## Most Recent Legislative Action

On March 21, 2013, Congress sent to the White House H.R. 933, the Consolidated and Continuing Appropriations Act, which the President signed into law (P.L. 113-6) on March 26, 2013. Division C of that legislation was a fully detailed DOD appropriations act for FY2013 that provided \$597.1 billion for programs funded by that bill.

Including funds provided for military construction in Division E of H.R. 933, the bill provided a total of \$607.7 billion in discretionary budget authority for DOD. This is \$323.8 million less than the Administration's request, but exceeds the funding cap set by the BCA and thus triggers a sequestration of up to \$35.0 billion. The Administration had not allocated that reduction among specific DOD appropriations accounts as of May 15, 2013.

## Status of Legislation

**Table 1. FY2013 National Defense Authorization Act (H.R. 4310; S. 3254)**

| Subcommittee Markup |                   | House Report<br>H.R. 4310   | House Passage<br>H.R. 4310 | Senate Report<br>S. 3254    | Senate Passage<br>H.R. 4310 | Conf. Report<br>H.R. 4310      | Conference Report Approval |                     | Public Law               |
|---------------------|-------------------|-----------------------------|----------------------------|-----------------------------|-----------------------------|--------------------------------|----------------------------|---------------------|--------------------------|
| House<br>H.R. 4310  | Senate<br>S. 3254 |                             |                            |                             |                             |                                | House                      | Senate              |                          |
| 4/26-27/<br>2012    | 5/22-23/<br>2012  | 5/9/2012<br>H.Rept. 112-479 | 5/18/2012<br>299-120       | 6/4/2012<br>S.Rept. 112-173 | 12/4/2012<br>98-0           | 12/18/2012<br>H. Rept. 112-705 | 12/30/2012<br>315-107      | 12/21/2012<br>81-14 | 1/2/2013<br>P.L. 112-239 |

**Table 2. FY2013 DOD Appropriations Act (H.R. 5856; H.R. 933)**

| Subcommittee Markup<br>H.R. 5856 |           | House Report<br>H.R. 5856    | House Passage<br>H.R. 5856 | Senate Report<br>H.R. 5856  | House Passage<br>H.R. 933 | Senate Passage<br>H.R. 933 | House agreed to Senate<br>amds.<br>H.R. 933 | Public Law                  |
|----------------------------------|-----------|------------------------------|----------------------------|-----------------------------|---------------------------|----------------------------|---|-----------------------------|
| House                            | Senate    |                              |                            |                             |                           |                            |   |                             |
| 5/8/2012                         | 7/31/2012 | 5/25/2012<br>H.Rept. 112-493 | 7/19/2012<br>326-90        | 8/2/1012<br>S.Rept. 112-196 | 3/6/2013<br>267-151       | 3/20/2013<br>73-26         | 3/21/201<br>3<br>318-109                    | 3/26/201<br>3<br>P.L. 113-6 |

## FY2013 Defense Budget Overview

The Obama Administration's FY2013 budget request, submitted to Congress on February 13, 2012, included \$646.97 billion for the so-called "national defense" function of the federal budget (budget function 050). This included funding for global operations of the Department of Defense (DOD), defense-related nuclear programs conducted by the Department of Energy (DOE), and other defense-related activities.

For discretionary DOD budget authority, the request included \$613.93 billion, of which \$525.45 billion is for "base" defense budget costs—that is, day-to-day operations other than war costs—and the remaining \$88.48 billion was for "Overseas Contingency Operations" (OCO)—that is, military operations in Afghanistan and elsewhere. The function 050 total also included discretionary budget authority of \$17.98 billion for DOE defense-related programs (dealing with nuclear weapons and warship powerplants), \$4.75 billion for FBI national security programs, and \$2.42 billion for a number of smaller accounts, including selective service and civil defense (Table 3).

**Table 3. FY2013 National Defense Budget Function (050): Administration Request**  
(budget authority in billions of dollars)

|   |   |   | discretionary        | mandatory          | TOTAL                |
|---|---|---|----------------------|--------------------|----------------------|
| <b>Department of Defense</b><br><i>(budget sub-function 051)</i>                            | Base Budget                                 | TRICARE-for-Life accrual payment                  | 6.68                 |                    |                      |
|   |   | Concurrent Receipt accrual payment                |                      | 6.85               |                      |
|   |   | Other DOD Base Budget (incl. offsetting receipts) | 518.77               | -0.69              |                      |
|   | <b>Subtotal: DOD Base Budget</b>            |   | <b>525.45</b>        | <b>6.16</b>        | <b>531.61</b>        |
|   | Overseas Contingency Operations (OCO)       |   | 88.48                |                    | 88.48                |
|   |   | <b><u>DOD total</u></b>                           | <b><u>613.93</u></b> | <b><u>6.16</u></b> | <b><u>620.09</u></b> |
| <b>Atomic Energy Defense Programs (Dept. of Energy)</b><br><i>(budget sub-function 053)</i> | Occupational illness compensation and other |   |                      | 1.17               |                      |
|   | Other Energy Department defense programs    |   | 17.98                |                    |                      |
|   | <b>Department of Energy total</b>           |   | <b>17.98</b>         | <b>1.17</b>        | <b>19.15</b>         |
| <b>Defense-related Activities</b><br><i>(budget sub-function 054)</i>                       | FBI defense-related                         |   | 4.75                 |                    | 4.75                 |
|   | CIA Retirement Fund                         |   |                      | 0.51               | 0.51                 |
|   | Other                                       |   | 2.42                 | 0.06               | 2.48                 |
| <b><u>Grand Total: National Defense</u></b>   |   |   | <b><u>639.08</u></b> | <b><u>7.90</u></b> | <b><u>646.97</u></b> |

**Source:** House Armed Services Committee, Conference Report on H.R. 4310, National Defense Authorization Act for FY2013, "National Defense Budget Authority Implication," pp. 687-88.

**Notes:** This table is an inclusive summary of all budget authority for activities encompassed in the National Defense budget function (Function 050) that would result from President Obama's proposed FY2013 budget. It includes discretionary and mandatory funding for military activities of the Department of Defense (DOD), defense-related nuclear activities of DOE and defense-related activities by other agencies, such as FBI counter-intelligence work. The amounts summarized by the table include some funds that are not covered by the annual legislation that authorizes and appropriates funds for DOD, the bills that are the focus of this report. The table's mandatory budget authority amounts are estimates by the Congressional Budget Office (CBO).

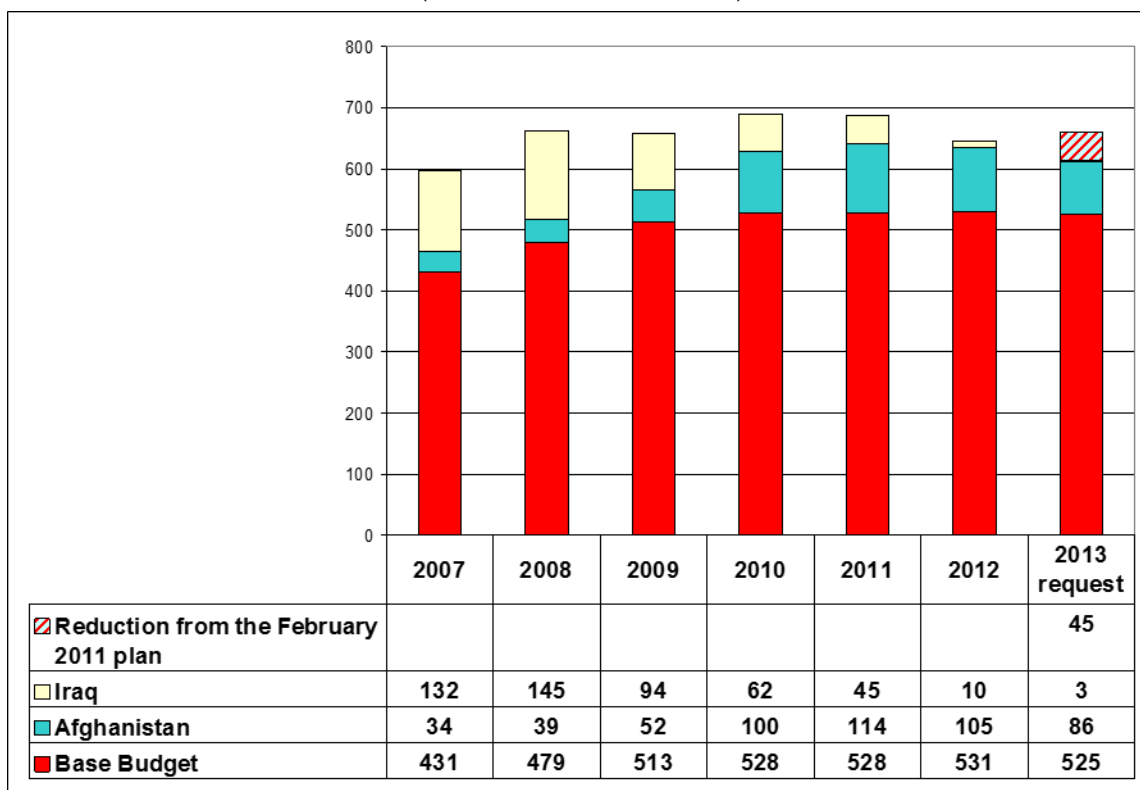


Numbers may not add due to rounding.

The Administration's proposed DOD budget called for the third consecutive annual decrease in total DOD funding (including OCO) since FY2010. Most of that decline reflected the decrease in OCO spending for operations in Iraq and Afghanistan. However, while the decline in war costs accounted for most of this reduction, the President's FY2013 request also would have reduced the base budget (in current dollars) for the first time since 1996. The base budget request was \$5.2 billion less than was appropriated for the base budget in FY2012 and \$45.3 billion less than the FY2013 request the Administration had projected in February 2011 (**Figure 1**).

**Figure 1. DOD Discretionary Budget Authority, FY2007-FY2013**

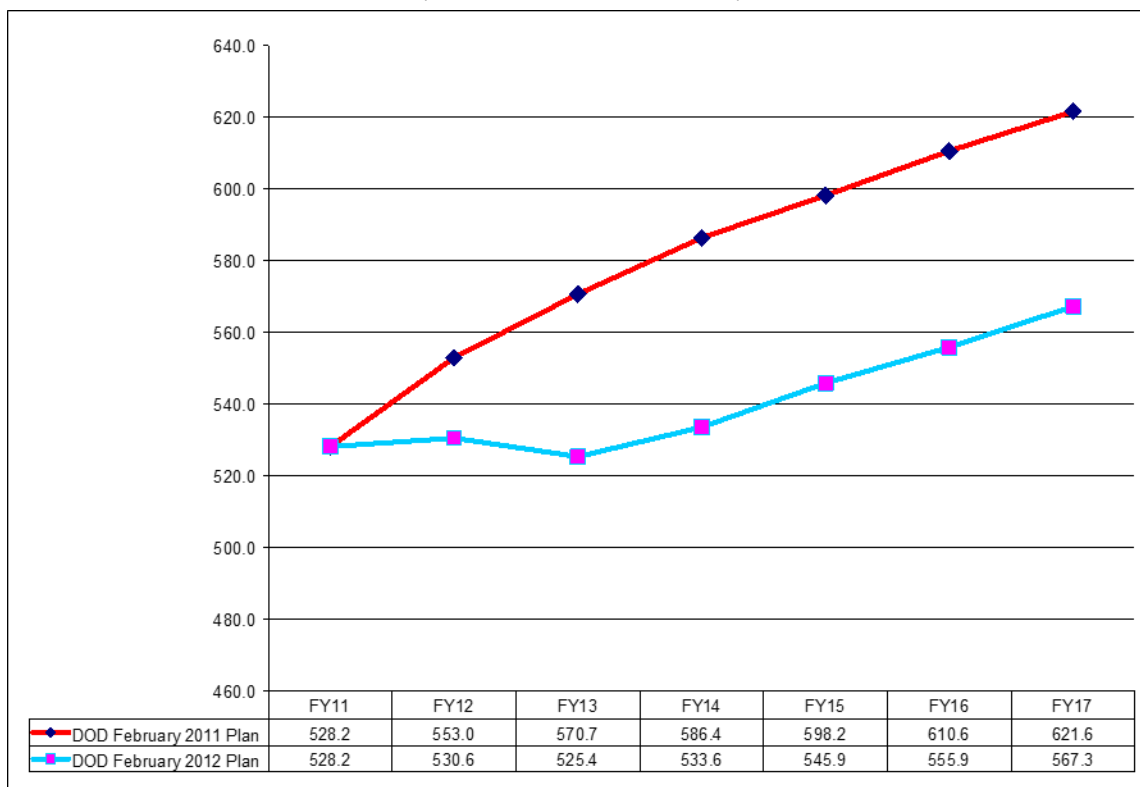
(amounts in billions of dollars)



**Source:** DOD Comptroller, FY2013 Budget Request Overview, Figures 1-2 and 6-2, [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf).

That reduction from the previously planned FY2013 request—and additional planned reductions of more than \$50 billion per year compared to DOD's February 2011 budget projections through FY2021—reflected the Administration's plan to reduce federal spending as required by the Budget Control Act (BCA) of 2011, enacted on August 2, 2011 (P.L. 112-25). Compared with the long-range spending plan published by DOD in February 2011, the February 2012 plan reduced DOD base budgets by \$259.4 billion from FY2012 through FY2017 (**Figure 2**). For the 10-year period covered by the BCA (FY2012-FY2021), the Administration's revised spending plan reduced DOD budgets by a total of \$486.9 billion.

**Figure 2. Obama Administration DOD Budget Projections:  
February 2011 and February 2012**  
(amounts in billions of dollars)



**Source:** DOD Comptroller, Budget Briefing, FY2012 Budget Request (slide 4), available at [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request.pdf).

**Note:** The graph's truncated vertical axis highlights differences between the two plans, but might appear to exaggerate their magnitude. Under the 2012 plan, the FY2017 budget would be 9.57% lower than had been planned in 2011.

Further reductions in DOD base budgets over the next 10 years may be in store as a result of the BCA. In addition to the \$900 billion worth of deficit reduction in FY2012-FY2021 (counting both defense and non-defense spending) that results from the BCA, the act also requires additional deficit reduction measures totaling \$1.2 trillion through FY2021 (which would result in a total deficit reduction through FY2021 of \$2.1 trillion).

In FY2013, the BCA requires an across the board cut in budget authority (or "sequester") that would be levied against almost all discretionary spending. For the National Defense budget function (of which the DOD budget comprises more than 95%), some \$59 billion—about 10%—would be cut from the Administration's budget request, with equal percentages cut from each program, project and activity. In subsequent years, the BCA sets lowered spending caps to achieve the required savings. Each year, to the extent that Congress appropriates more than the caps allow, the Administration would sequester funds through across-the-board cuts to ensure that the required savings are achieved. If the sequestration process and the lowered spending caps remain law, the Administration's February 2012 projection for defense budgets over the next 10 years would be cut by an additional \$515 billion—about 9%.

### Long-Term Budget Issues

For additional analysis of the potential impact on DOD of potential further budget reductions as part of the deficit reduction measures mandated by the Budget Control Act of 2011 (P.L. 112-25), see CRS Report R42489, *FY2013 Defense Budget Request: Overview and Context*, by Stephen Daggett and Pat Towell

## Base Budget Highlights

The Obama Administration presented its FY2013 DOD budget plan both as an effort to address the long-term spending limits set by the BCA and as an opportunity to refocus U.S. defense planning as DOD winds down large-scale deployments of U.S. troops in Iraq and Afghanistan. The Administration preceded the announcement of its FY2013 budget request with the publication on January 5, 2012, of new “strategic guidance,” which, it said, took account of both the new budgetary and strategic environments.<sup>1</sup>

## New Strategic Guidance

The January 2012 strategic guidance postulates that active-duty ground forces no longer will be sized to conduct large-scale, prolonged stability operations such as those in Iraq and Afghanistan, which required an Army and Marine Corps capable of maintaining a constantly rotating overseas deployment of upwards of 100,000 troops.

Under this approach, U.S. forces will be shaped and sized to conduct a campaign to defeat a major aggression—a combined arms campaign involving air, sea, and land forces and including a large-scale ground operation—and, simultaneously, another campaign intended to block an attack in some other area by a second adversary.<sup>2</sup>

The January 2012 strategic guidance also calls for DOD to put a higher priority on deploying U.S. forces to the Pacific and around Asia while scaling back deployments in Europe. For example, the Administration planned to withdraw and disband two of the four Army brigade combat teams currently stationed in Germany while maintaining a rotating force of up to 2,500 Marines in northern Australia. It also planned to station littoral combat ships in Singapore and smaller patrol craft in Bahrain. Because of the distances from land bases to which U.S. forces have access, operations in the Asia-Pacific region would rely heavily on air and naval forces. Accordingly, many observers expect a shift of DOD resources toward naval and air forces at the expense of ground formations.

Some question the Administration’s claim of a “pivot” toward Asia, citing its plan to retire some older, long-range cargo planes and to cut a total of \$13.1 billion from projected shipbuilding budgets for FY2013-FY2017. But the Administration cites its decisions to retain in service 11 aircraft carriers and to add other ships to its shipbuilding plan as proof of its refocused commitment on the Pacific region, where long operational distances are the rule.

### New Strategic Guidance and the ‘Pivot to the Pacific’

For further analysis of the Obama Administration’s new Strategic Guidance, issued in January 2012, see CRS Report R42146, *In Brief: Assessing DOD’s New Strategic Guidance*, by Catherine Dale and Pat Towell. For additional analysis of the Administration’s increased emphasis on Asia and the Pacific region as the focus of U.S. military and

<sup>1</sup> DOD, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense*, January 2012, [http://www.defense.gov/news/Defense\\_Strategic\\_Guidance.pdf](http://www.defense.gov/news/Defense_Strategic_Guidance.pdf).

<sup>2</sup> *Ibid.*, p. 4.

diplomatic attention, see CRS Report R42448, *Pivot to the Pacific? The Obama Administration's "Rebalancing" Toward Asia*, coordinated by Mark E. Manyin.

## Force Structure, Readiness

Pursuant to the Administration's January 2012 strategic guidance, DOD plans to eliminate or retire several major combat units and weapons systems by FY2017. Among these are

- At least 8 of the Army's 45 active-duty brigade combat teams;
- Six of the Marine Corps's 41 battalion landing teams;
- Seven cruisers from among the Navy's current fleet of 101 surface warships;
- Two of the Navy's 30 amphibious landing ships;
- Six of the 61 fighter and ground-attack squadrons in the Air Force, Air Force Reserve, and Air National Guard;
- 27 early-model C-5A cargo planes out of a total fleet of 302 long-range, wide-body C-5 and C-17 cargo jets;
- The entire fleet of C-27 mid-sized cargo planes, currently operated by the Air Force but desired by the Army to deliver supplies to troops in forward positions; and
- The entire fleet of "Block 30" Global Hawk surveillance drones, which DOD officials said had proven to be more expensive than the U-2 aircraft they had been slated to replace.

On the other hand, the Administration says its plan would maintain the remaining force at a high level of readiness. Compared with the February 2011 plan, the Operation and Maintenance request for FY2013 was reduced by 3%, one-fifth as large as the 15% reduction imposed on the Procurement accounts (Table 4).

**Table 4. FY2013 DOD Discretionary Budget Authority:  
February 2011 Projection and February 2012 Request**

(amounts in billions of current year dollars)

| Appropriations Title             | Projected<br>FY2013<br>Request<br>Feb. 2011 | Actual<br>FY2013<br>Request<br>Feb. 2012 | Difference<br>(\$) | Difference<br>(%) |
|----------------------------------|---|--|--------------------|-------------------|
| Base Budget                      |   |  |                    |                   |
| - Military Personnel             | 141.82                                      | 135.11                                   | -6.71              | -4.7%             |
| - Operation and Maintenance      | 197.21                                      | 208.76                                   | +11.55             | +5.9%             |
| - Procurement                    | 104.53                                      | 98.82                                    | -5.70              | -5.5%             |
| - RDT&E                          | 71.38                                       | 69.41                                    | -1.97              | -2.8%             |
| - Military Construction          | 11.37                                       | 9.57                                     | -1.79              | -1.6%             |
| - Family Housing                 | 1.68  | 1.65                                     | -0.03              | -1.9%             |
| - Revolving and Management Funds | 2.64  | 2.12                                     | -0.52              | -19.7%            |
| Subtotal: Base Budget            | 530.62                                      | 525.45                                   | -5.18              | -1.0%             |

| Appropriations Title                            | Projected<br>FY2013<br>Request<br>Feb. 2011 | Actual<br>FY2013<br>Request<br>Feb. 2012 | Difference<br>(\$) | Difference<br>(%) |
|---|---|--|--------------------|-------------------|
| Subtotal: Overseas Contingency Operations (OCO) | 115.08                                      | 88.48                                    | -26.60             | -23.1%            |
| <b>Total</b>                                    | <b>645.71</b>                               | <b>613.93</b>                            | <b>-31.78</b>      | <b>-4.9%</b>      |

**Source:** DOD Comptroller, FY2013 Budget Request Overview, Table 8-1, [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf).

**Notes:** The “Military Personnel” amounts include accrual payments into the budget account that funds TRICARE-for-Life, which is the program that allows military retirees who are eligible for Medicare to remain enrolled in DOD’s TRICARE medical insurance program. TRICARE-for-Life funds are not provided by the annual defense appropriations but rather by permanent law, according to calculations by DOD actuaries.

## Military Personnel Issues

The Administration plans to reduce the size of the active-duty force—slated to be 1.42 million at the end of FY2012—by 21,600 personnel in FY2013 and by a total of 102,400 by the end of FY2017. Consistent with the new policy of avoiding prolonged, large-scale peacekeeping operations, most of that multi-year reduction—92,000 out of the 102,400—would come from the Army and Marine Corps. In effect, this plan would remove from the force the 92,000 personnel that were added to the Army and Marine Corps beginning in 2007 to sustain deployments to Iraq and Afghanistan. However, in 2017—when the proposed reductions would be complete—each of those two services still would be larger than it had been before the terrorist attacks of September 11, 2001 (Table 5).

**Table 5. Active Military End Strength**

|              | FY2001           | FY2012           | FY2013<br>Proposed | FY2017<br>Proposed |
|--------------|------------------|------------------|--------------------|--------------------|
| Army         | 480,801          | 562,000          | 552,100            | 490,000            |
| Navy         | 377,810          | 325,700          | 322,700            | 319,500            |
| Marine Corps | 172,934          | 202,100          | 197,300            | 182,100            |
| Air Force    | 353,571          | 332,800          | 328,900            | 328,600            |
| <b>Total</b> | <b>1,385,116</b> | <b>1,422,600</b> | <b>1,401,000</b>   | <b>1,320,200</b>   |

**Source:** DOD Comptroller, FY2013 Budget Request Overview, Figures 4-2, [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf).

## Pay Raise

The FY2013 budget request included a 1.7% increase in service members’ “basic pay,” an amount based on the Labor Department’s Employment Cost Index (ECI), which is a survey-based estimate of the rate at which private-sector pay has increased. After providing an equal increase in basic pay for FY2014, the Administration plan would provide basic pay raises less than the anticipated ECI increase in the following three years: 0.5% below ECI for FY2015, 1.0% below for FY2016, and 1.5% below for FY2017.

The Administration maintained that budgetary limits require some reduction in the rate of increase of military compensation in order to avoid excessive cuts in either the size of the force or

the pace of modernization. However, it promised that no service member would be subjected to either a pay freeze or a pay cut. Moreover, proposed reductions in the size of the annual military pay raise would not begin until FY2015, thus allowing service members and their families to plan for the change. Over the five-year period (FY2013-FY2017), the Administration projected that savings from its planned schedule of military compensation would total \$16.5 billion.

According to DOD officials, although military compensation accounts for about one-third of DOD's budget, the savings that would result from the proposed changes in compensation would account for less than 10% of the total that the Administration's budget would slice from the February 2011 DOD budget projection for FY2012-FY2021 (**Table 4**).

### TRICARE Pharmacy Fees

The Administration also proposed a variety of fee increases for the 9.65 million beneficiaries of TRICARE, DOD's medical insurance program for active-duty, reserve-component, and retired service members and their dependents and survivors. According to DOD, the overall cost of the Military Health Program, which totaled \$19 billion in FY2001, had more than doubled to \$48.7 billion in FY2013. The FY2013 request assumes \$1.8 billion in savings as a result of the Administration's proposed fee increases, which are controversial and which Congress would have to approve in law.

Many of the proposed fees and fee increases would apply only to working-age retirees and would be "tiered" according to the retiree's current income. The package also includes pharmacy co-pays intended to provide an incentive for TRICARE beneficiaries to use generic drugs and mail-order pharmacy service. Future changes in some of the proposed fees and in the "catastrophic cap" per family would be indexed to the National Health Expenditures (NHE) index, a measure of escalation in medical costs calculated by the federal agency that manages Medicare.

### Modernization

Compared with the FY2013 budget that DOD projected in February of 2011, the actual FY2013 request for procurement and R&D accounts was 12.5% lower. Proportionally, that reduction is more than twice as large as the reduction in the combined accounts for military personnel and operation and maintenance (down 4.7%).

Measured in constant dollars, DOD's combined procurement and R&D budget in FY2010 was 60% higher than it had been in FY2001. Accordingly, some argue that DOD can afford to rein in its spending on acquisition while it lives off the capital stocks built up and modernized during the decade of budget increases that followed the terrorist attacks of 2001.<sup>3</sup>

But others contend that much of the procurement spending during that decade was for (1) items peculiarly relevant to the wars in Iraq and Afghanistan; (2) items needed to replace equipment destroyed in combat or worn out by the high tempo of operations in a region that is particularly stressful on machinery and electronics; or (3) modifications to existing planes, tanks, and ships. While modifications can improve the effectiveness of existing platforms, they cannot nullify in the long run the impact of age and design obsolescence.<sup>4</sup>

<sup>3</sup> See, for example, Stimson Center, "What We Bought: Defense Procurement from FY01 to FY10," by Russell Rumbaugh, October 2011.

<sup>4</sup> See, for example, American Enterprise Institute, "The Past Decade of Military Spending: What We Spent, What we Wasted, and What We Need," by Mackenzie Eaglen, January 24, 2012.

The Administration emphasizes that it is prioritizing among weapons programs in deciding where to make cuts in previously planned spending and that it is sustaining funding for high-priority programs, such as the development of a new, long-range bomber for which its plan budgets \$292 million in FY2013 and more than \$5 billion over the FY2014-FY2017 period.

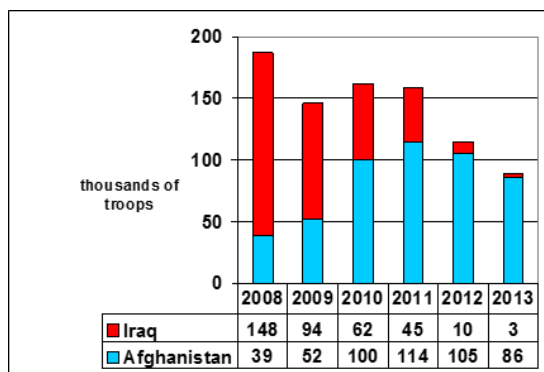
Compared with DOD's February 2011 plan for procurement and R&D funding, the program announced in February 2013 would save \$24 billion in FY2013 and a total of \$94 billion over FY2013-FY2017. Procurement of some items would be terminated outright, before the originally planned total number was acquired (e.g., the Army's new 5-ton trucks—designated FMTV—terminated for a total savings of \$2.2 billion over five years, and a new Air Force weather satellite, terminated for a total savings of \$2.3 billion).

But DOD plans to achieve most of the savings in procurement from “restructuring” programs, that is, from slowing the timetable for moving from development into production or slowing the rate of production. The department justifies some of its proposed reductions on grounds of fact-of-life delays in specific programs. In other cases, it contends that it is an “acceptable risk” to forego (or delay) acquisition of a particular capability.

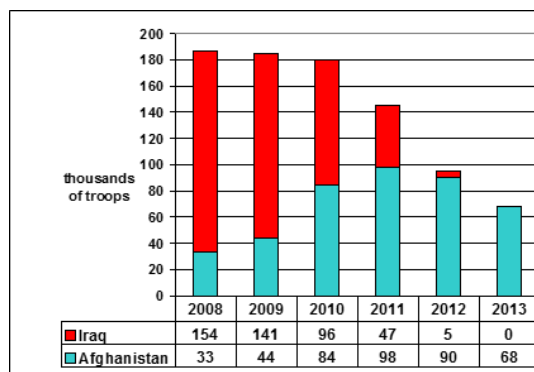
## **Overseas Contingency Operations Highlights**

The Administration's \$88.5 billion request for FY2013 war costs (OCO) amounts to \$26.6 billion less than Congress appropriated for war costs in FY2012. This reduction reflects:

- the cessation of U.S. combat operations in Iraq by the end of the first quarter of FY2012; and
- the reduction of the number of U.S. troops in Afghanistan, by the end of FY2012, to 68,000 personnel, thus ending the “surge” into that country of 33,000 additional U.S. troops announced by President Obama on December 1, 2009.

**Figure 3. OCO Funding by Country**

**Source:** DOD Comptroller, FY2013 Budget Request Overview, Figure 6-2, [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf).

**Figure 4. U.S. Troop Level by Country**

**Source:** DOD Comptroller, FY2013 Budget Request Overview, Figure 6-2, [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf).

The OCO budget request assumed that 68,000 U.S. troops will remain in Afghanistan through the end of FY2013, although President Obama has said that, after the number had been drawn down to 68,000 by the summer of 2012, it would continue to decline “at a steady pace.”<sup>5</sup>

On September 20, 2012, then-Defense Secretary Leon Panetta announced that the President’s goal of reducing the number of U.S. troops in Afghanistan to 68,000 had been met.<sup>6</sup>

## Bill-by-Bill Analysis

### FY2013 National Defense Authorization Act

The compromise final version of the FY2013 NDAA, signed by the President on Jan. 2, 2013 (P.L. 112-239), authorized \$648.7 billion for DOD and defense-related nuclear activities of DOE, which amounts to \$1.7 billion more than the administration requested.

For DOD’s base budget, the final bill would authorize \$527.5 billion, practically splitting the difference between the \$528.6 billion that would have been authorized by the House-passed version of the bill, and the \$525.8 billion that would have been authorized by the Senate-passed version. The final bill made a slight reduction to the amount requested for war costs and larger—though still relatively small—reduction to the amount requested for Energy Department nuclear programs (**Table 6**).

<sup>5</sup> President Barack Obama, Remarks by the President on the Way Forward in Afghanistan, Washington, DC, June 22, 2011, available at <http://www.whitehouse.gov/the-press-office/2011/06/22/remarks-president-way-forward-afghanistan>.

<sup>6</sup> DOD News Release, No. 766-12, “Statement from Secretary Panetta on Recovery of Surge Forces in Afghanistan,” Sept. 20, 2012, <http://www.defense.gov/releases/release.aspx?releaseid=15580>.



**Table 6. FY2013 National Defense Authorization Act (H.R. 4310; S. 3254)**

(amounts of discretionary budget authority in millions of dollars)

|  | <b>FY2013<br/>Administration<br/>Request</b> | <b>FY2013<br/>House-passed<br/>H.R. 4310</b> | <b>FY2013<br/>Senate-<br/>passed<br/>H.R. 4310<sup>a</sup></b> | <b>FY2013<br/>Conference<br/>Report on<br/>H.R. 4310</b> |
|--|--|--|--|--|
| <b>Base Budget</b>   |  |  |  |  |
| Procurement  | 97,432                                       | 99,122                                       | 96,959   | 98,398   |
| Research and Development   | 69,408                                       | 70,387                                       | 69,286   | 69,938   |
| Operations and Maintenance   | 174,939                                      | 175,082                                      | 174,778  | 175,569  |
| Military Personnel   | 135,112                                      | 135,727                                      | 135,112  | 135,758  |
| Defense Health Program and<br>Other Authorizations   | 37,228                                       | 37,458                                       | 37,739   | 37,405   |
| Military Construction and<br>Family Housing  | 11,223                                       | 10,838                                       | 10,559   | 10,413   |
| Commission on the Structure<br>of the Air Force  |  |  | 1,400  |  |
| <b>Subtotal:</b>   |  |  |  |  |
| <b>DOD Base Budget</b>   | 525,342                                      | 528,614                                      | 525,839  | 527,482  |
| Atomic Energy Defense<br>Activities (Energy Dept.)   | 17,779                                       | 18,143                                       | 17,348   | 17,384   |
| <b>TOTAL: FY2013 Base<br/>Budget</b>   | <b>543,121</b>                               | <b>546,757</b>                               | <b>543,187</b>   | <b>544,866</b>   |
| Subtotal: Overseas<br>Contingency Operations   | 88,482                                       | 88,482                                       | 88,182   | 88,479   |
| <b>GRAND TOTAL:</b>  |  |  |  |  |
| <b>FY2013 NDAA</b>   | <b>631,603</b>                               | <b>635,259</b>                               | <b>631,369</b>   | <b>633,345</b>   |
| National Defense<br>Discretionary Funding not<br>covered by this bill                            | 7,474  | 7,474  | 7,474  | 7,474  |
| Total: FY2013 National<br>Defense Discretionary Budget<br>Authority implications of the<br>bill  | 639,077                                      | 642,713                                      | 638,843  | 640,819  |
| FY2013 Mandatory National<br>Defense Funding   | 7,891  | 7,891  | 7,891  | 7,858  |
| <b>Grand Total FY2013<br/>National Defense Budget<br/>Authority implications of<br/>the bill</b> | <b>646,968</b>                               | <b>650,579</b>                               | <b>646,734</b>   | <b>648,677</b>   |

**Source:** H.Rept. 112-479, House Armed Services Committee, Report on H.R. 4310, National Defense Authorization Act for FY2013, pp. 10-19; S.Rept. 112-173, Senate Armed Services Committee, Report on S. 3254, National Defense Authorization Act for FY2013, pp. 4-8; H.Rept. 112-705, Conference report on H.R. 4310, National Defense Authorization Act for FY2013, pp. 682-87.

**Notes:** The amounts requested and authorized in the annual National Defense Authorization Act (NDAA) is less than the total National Defense Budget because defense-related activities conducted by agencies other than DOD and the Energy Department—for example, the FBI's counterintelligence activity—are not covered by the bill and because certain DOD activities do not require annual authorization.

- a. The version of the bill debated by the Senate was S. 3254, which had been reported by the Senate Armed Services Committee. Immediately after the Senate passed that bill on December 4, 2012 by a vote of 98-0, it agreed by unanimous consent to substitute the text of that bill for the text of the House-passed H.R. 4310. Thereupon, the Senate passed the amended H.R. 4310 by voice vote, setting the stage for a House-Senate conference on that measure.

## NDAAs: The Broad Outlines

Compared with annual defense authorization bills enacted in the previous decade, both H.R. 4310 as passed by the House and S. 3254 as passed by the Senate would make relatively few additions to the authorization levels proposed by the Administration for specific programs. This reflects the stringent bars against “earmarks” currently observed in both the House and the Senate.

### *Proposed Administration Savings*

The House-passed version of H.R. 4310 would have added to the request more than \$4 billion to cover the cost of overturning some of the Administration’s more high-profile efforts to reduce DOD spending. The Senate-passed bill would have taken similar action to reverse two of the initiatives—disbanding several squadrons of airplanes in the Air Force, Air Force Reserve, and Air National Guard; and deferring production of an attack submarine. However, the Senate bill supported, wholly or in part, several of the Administration’s other proposed DOD spending cuts. As enacted, the enacted FY2013 NDAA steered a middle course between the House and Senate versions. (See **Table 7**.)

**Table 7. Selected Administration Budget Initiatives**

| <b>Selected Administration proposals</b>  | <b>House-passed Bill</b>   | <b>Senate-passed Bill</b>  | <b>Conference Report</b>  |
|---|--|--|---|
| Disband 7 Air Force and Air National Guard squadrons; Retire 303 aircraft. Cancel planned procurements of Global Hawk Block 30 surveillance drones and C-27 medium-sized cargo planes; Retire Global Hawk 30s and C-27s in service. | Adds authorization for \$1.10 billion and 7,816 personnel (active duty and reserve components) to retain the current force structure and continue Global Hawk Block 30 operations. | Freezes current force structure; prohibits retirement of aircraft from National Guard or Air Force Reserve; adds \$1.4 billion to cover the cost of maintaining status quo; creates commission to recommend future force structure of Air Force. In effect, cancels \$544 million authorized for Global Hawk Block 30 in prior years, directing that those funds be substituted for new budget authority to help fund the FY2013 budget. | Adds \$636 million and 5,040 personnel (active duty and reserve components) to retain the current force structure and to continue Global Hawk Block 30 operations through 2014, but would not flatly prohibit changes; creates commission to recommend USAF force structure over the long-term. |

| Selected Administration proposals  | House-passed Bill  | Senate-passed Bill   | Conference Report  |
|--|--|--|--|
| Retire seven Aegis cruisers and two LSD-type amphibious landing ships, with four cruisers slated for retirement in FY2013 and the other ships in FY2014. | Prohibits retirement of any of the ships, except for one cruiser damaged in grounding, and adds \$638 million to continue operating and maintaining three of the four cruisers that the budget would retire in FY2013. | Expresses sense of Congress that all the ships' operational capability should be maintained; adds no funds, for this purpose   | Adds \$629 million to keep in service all four cruisers slated for retirement in FY2013; requires a detailed report on repairs and would be required for the damaged cruiser ( <i>USS Port Royal</i> ) to remain in service. |
| Increase various TRICARE fees, reducing the FY2013 budget requirement by \$1.8 billion.  | Adds \$1.21 billion to replace funds the Administration had planned to obtain from fee changes which the House bill would not authorize; allows some requested increases.  | Adds \$452 million to replace funds the Administration had planned to obtain from fee changes which the bill would not authorize; allows larger number of requested increases. | Adds \$1.12 billion to compensate for not authorizing several of the proposed fee changes; allows some increase in pharmacy co-pays plus other fee increases previously authorized by law.                                   |
| Slow design of new ballistic missile sub, reducing FY2013 funding by more than half (\$640 million) from earlier projection.                             | Adds \$374 million to fund ship design at earlier projected level; No addition to restore funds cut from nuclear reactor design.   | n/c  | n/c  |
| Buy components to support purchase of one Virginia-class submarine in FY2014 rather than two, reducing FY2013 funding by more than 40% (\$667 million).  | Adds \$778 million to allow funding two subs in FY2014.  | Adds \$778 million to allow funding two subs in FY2014.  | Adds \$778 million to allow funding two subs in FY2014.  |
| Slow development of Army's Ground Combat Vehicle reducing FY2013 funding by two-thirds (\$1.3 billion) from earlier projection.                          | n/c  | n/c  | n/c  |

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

### *Other Increased Weapons Spending*

The House-passed version of the FY2013 NDAA would have authorized \$2.1 billion more than was requested for several programs for which Congress typically adds to the annual budget request. The Senate-passed version would have added about one-fifth as much. (See **Table 8.**)

**Table 8. Selected Congressional Funding Increases**

| <b>Selected Administration Proposals</b>  | <b>House-passed Bill</b>  | <b>Senate-passed Bill</b>   | <b>Conference Report</b>   |
|---|---|---|--|
| Request \$903 million to continue upgrading Ballistic Missile Defense system deployed in Alaska and California to intercept inter-continental missiles; Also request \$461 million for THAAD interceptor missiles and \$217 million for a TPY-2 anti-missile radar. | Adds \$357 million to deploy additional interceptor missiles in Alaska and \$103 million to begin work on an East Coast site for additional interceptors; Also adds \$127 million for additional THAAD missiles and \$170 million for a second radar. | Adds \$100 million for THAAD.   | Adds \$75 million to the defense against intercontinental missiles, none of it earmarked for East Coast site, but requires DOD to evaluate three additional interceptor launch sites in U.S., two of which must be on the East Coast; Also adds \$163 million for a second TPY-2 radar, but no additional funds for THAAD. |
| Request \$100 million to continue development of three Israeli missile defense systems.   | Adds \$168 million for those three Israeli systems and an additional \$680 million for the Israeli "Iron Dome" system designed to intercept short-range rockets and artillery shells.   | Adds \$100 million for the three Israeli systems and an additional \$210 million for "Iron Dome." | Adds \$168 million for the three Israeli systems and an additional \$211 million for "Iron Dome."  |
| Phase out upgrades to Abrams tanks and Bradley troop carriers preparatory to shutting down those production lines from 2014 until 2017, when new upgrade programs would begin.  | Adds \$320 million to continue Abrams and Bradley upgrades and \$62 million for tank recovery vehicles that would provide additional work for the armored vehicle industrial base.  | Adds \$91 million to continue Abrams upgrades and \$123 million for tank recovery vehicles.       | Adds \$276 million to continue Abrams and Bradley upgrades and \$62 million for tank recovery vehicles.  |

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

### *Funding Offsets*

As is customary in annual NDAs, both the House-passed H.R. 4310 and the Senate committee's S. 3254 would offset some or all of their proposed additions to the budget request with some relatively large proposed reductions within certain programs. Moreover—as usual—the House and Senate Armed Services Committees that drafted the two bills said that some of their proposed reductions would have no adverse impact on DOD. For example, each bill would reduce the total amount authorized by upwards of \$1.5 billion on the grounds that funds appropriated in prior years but not spent could be used in lieu of the same amount of new budget authority to cover part of the FY2013 budget. (See **Table 9**.)

**Table 9. Selected Funding Offsets**

| <b>Selected Administration Proposals</b>  | <b>House-passed Bill</b>  | <b>Senate-passed Bill</b>  | <b>Conference Report</b>   |
|---|---|--|--|
| Missile Defense Programs  | Cuts the entire \$400.9 million requested for MEADS missile defense system, a joint project of the U.S., German, and Italian governments.   | Cuts the entire \$400.9 million requested for MEADS; also cuts \$247.4 million (of \$297.4 million requested) for Precision Tracking Space System (PTSS) missile tracking program.                                       | Cuts the entire MEADS request (\$400.9 million); also cuts \$55 million from PTSS and \$25 million (of \$59 million requested) for a space-based missile tracking program designated Advanced Remote Sensor Technology (ARST). |
| Aid to Afghanistan (\$6.55 billion) and to other governments collaborating with U.S. policy in Afghanistan thru Coalition Support Funds (\$1.75 billion). | Cuts a total of \$1.00 billion from the request, including \$650 million from Coalition Support Funds and \$200 million from Commanders Emergency Response Program (CERP).  | Cuts a total of \$250 million from the request, including \$200 million from Commanders Emergency Response Program (CERP) and \$50 million from the Afghanistan Infrastructure Fund.                                     | Cuts a total of \$350 million from the request including \$200 million from CERP, \$50 million from the Afghanistan Infrastructure Fund and \$100 million from Coalition Support Funds.  |
| \$911.0 million request to decommission the nuclear-powered carrier USS <i>Enterprise</i> .   | Cuts \$470.0 million that would not be needed until FY2014, directing the Navy to fund the project on a year-by-year basis.   | n/c  | n/c  |
| \$463.0 million request for Energy Department contribution to fund for environmental cleanup at U.S. uranium enrichment facilities.                       | n/c   | Cuts the entire amount on grounds that payments must be authorized by legislation outside jurisdiction of Armed Services Committee.  | Cuts the entire request for \$463.0 million.   |
| [not applicable]  | Cut a total of \$2.80 billion that House Armed Services Committee said would have no adverse effect either because the funds would not be needed in FY2013 or because funds left over from prior budgets could be used. | Cut a total of \$2.37 billion that Senate Armed Services Committee said would have no adverse effect either because the funds would not be needed in FY2013 or because funds left over from prior budgets could be used. | Cut a total of \$2.55 billion that House and Senate negotiators said would have no adverse effect either because the funds would not be needed in FY2013 or because funds left over from prior budgets could be used.          |

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

## Military Personnel Issues (Authorization)<sup>7</sup>

Like the version of H.R. 4310 passed by the House and S. 3254 as passed by the Senate, the enacted version of H.R. 4310 authorizes a 1.7% military pay raise, as requested.

<sup>7</sup> For congressional action relevant to military personnel issues in the FY2013 DOD appropriations bill, see “Military Personnel and Force Structure (Appropriations).”

### Military Personnel Policy Issues

For more detailed analysis of military personnel issues dealt with in the FY2012 National Defense Authorization Act, see CRS Report R42651, *FY2013 National Defense Authorization Act: Selected Military Personnel Policy Issues*, coordinated by Catherine A. Theohary.

### Proposed Reductions in Personnel and Force Structure

In their respective reports on the FY2013 NDAA, the Armed Services Committees of the House and Senate each expressed concern that the Administration's plan to reduce the Army and Marine Corps by a total of 92,000 by the end of FY2017 may cut too deep. However, both bills approved the Administration's proposed reductions in the number of active-duty personnel for the Army, Navy, and Marine Corps in FY2013 and the final version of the bill did the same. (**Table 10**).

**Table 10. Current and Proposed FY2013 End-Strength  
for Active and Reserve Component Forces**

| Service                    | FY2012<br>Authorized | FY2013<br>Request | H.R. 4310<br>passed by the<br>House |                           | S. 3254<br>passed by the<br>Senate |                           | number<br>authorized | change<br>from<br>request |
|----------------------------|----------------------|-------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------|----------------------|---------------------------|
|                            |                      |                   | number<br>authorized                | change<br>from<br>request | number<br>authorized               | change<br>from<br>request |                      |                           |
| ACTIVE FORCES              |                      |                   |                                     |                           |                                    |                           |                      |                           |
| Army                       | 562,000              | 552,100           | 552,100                             | 0                         | 552,100                            | 0                         | 552,100              | 0                         |
| Navy                       | 325,700              | 322,700           | 322,700                             | 0                         | 322,700                            | 0                         | 322,700              | 0                         |
| Marine<br>Corps            | 202,100              | 197,300           | 197,300                             | 0                         | 197,300                            | 0                         | 197,300              | 0                         |
| Air<br>Force               | 332,800              | 328,900           | 330,383                             | +1,483                    | 329,597                            | +697                      | 329,460              | +560                      |
| TOTAL<br>Active<br>Forces  | 1,422,600            | 1,401,000         | 1,402,483                           | +1,483                    | 1,401,697                          | +697                      | 1,401,560            | +560                      |
| SELECTED RESERVE           |                      |                   |                                     |                           |                                    |                           |                      |                           |
| Army<br>National<br>Guard  | 358,200              | 358,200           | 358,200                             | 0                         | 358,200                            | 0                         | 358,200              | 0                         |
| Army<br>Reserve            | 205,000              | 205,000           | 205,000                             | 0                         | 205,000                            | 0                         | 205,000              | 0                         |
| Navy<br>Reserve            | 66,200               | 66,200            | 66,200                              | 0                         | 66,200                             | 0                         | 66,200               | 0                         |
| Marine<br>Corps<br>Reserve | 39,600               | 39,600            | 39,600                              | 0                         | 39,600                             | 0                         | 39,600               | 0                         |
| Air<br>National<br>Guard   | 106,700              | 101,600           | 105,005                             | +4,405                    | 106,435                            | +4,835                    | 105,700              | +4,100                    |

| Service                      | FY2012<br>Authorized | FY2013<br>Request | H.R. 4310<br>passed by the<br>House |                           | S. 3254<br>passed by the<br>Senate |                           | number<br>authorized | change<br>from<br>request |
|------------------------------|----------------------|-------------------|-------------------------------------|---------------------------|------------------------------------|---------------------------|----------------------|---------------------------|
|                              |                      |                   | number<br>authorized                | change<br>from<br>request | number<br>authorized               | change<br>from<br>request |                      |                           |
| Air<br>Force<br>Reserve      | 71,400               | 70,500            | 72,428                              | +1,928                    | 72,428                             | +1,928                    | 70,880               | +380                      |
| TOTAL<br>Selected<br>Reserve | 847,100              | 837,400           | 843,733                             | +6,333                    | 844,163                            | +6,763                    | 841,880              | +4,480                    |

**Note:** The “Selected Reserve” are those reservists enrolled in units that assemble for drill periods a certain number of times annually, including one period of two weeks duration. Service members enrolled in other reserve categories do not participate in regular drills.

### *Air Force Cuts*

The House and Senate versions of the bill each contained provisions that would block the Administration’s proposal to disband several Air Force units and retire more than 300 aircraft. In testimony before the Senate Defense Appropriations Subcommittee on March 14, 2012, Air Force Secretary Michael Donley said he would defer the proposed changes. In a June 22, 2012, letter to then-Senate Defense Subcommittee Chairman Daniel K. Inouye, Defense Secretary Panetta went further, saying he would defer any changes to the force structure of the Air Force—including some that had been authorized and funded in prior budgets—until Congress completes work on the FY2013 budget.

The House-passed bill authorized 7,030 personnel more than requested for the Air Force and its associated reserve components in order to staff units that had been slated for disbanding. H.R. 4310 would add to the request \$699.2 million to continue operating those units, plus \$400.4 million to continue purchasing C-27 cargo planes and RQ-4 Block 30 Global Hawk reconnaissance drones. The Administration had proposed mothballing the C-27s and Block 30 Global Hawks already in hand and terminating plans to buy more of each.<sup>8</sup>

The Senate-passed bill authorized 8,246 more personnel than had been requested for the Air Force and associated reserve components. S. 3254 also includes provisions that would add to the budget request a total of \$1.40 billion to maintain the status quo pending recommendations by a National Commission on the Structure of the Air Force that the bill would establish (Sections 1701-1709). However, the Senate bill did not challenge the Administration’s proposal to dispose of the C-27s and Global Hawk Block 30s. In fact, it rescinded \$544 million appropriated for Global Hawk in prior years, using those funds instead to cover some of the cost of the FY2013 budget.

The conference report on H.R. 4310 adds to the budget request a total of \$636 million and 5,040 personnel (active duty and reserve components) to retain the current force structure and to continue operating C-27s and Global Hawk Block 30s. However, the enacted version of the bill would not flatly prohibit changes to the current force structure. It also mandated creation of a commission to make recommendations about USAF force structure over the long-term (Sections 361-367).

<sup>8</sup> The Administration’s proposal to abandon the Block 30 version of the Global Hawk has no effect on other versions of the Global Hawk long-range, unmanned aircraft used by DOD.

## *Ship Retirements*

The House-passed version of H.R. 4310 would have barred the Navy from laying up six of the seven Aegis cruisers and either of the two amphibious landing ships slated for earlier-than-planned retirement as a cost-saving measure in the budget request. It would allow the Navy to retire, as requested, the one cruiser, the USS *Port Royal*, although that ship—commissioned in 1994—is the newest of the Aegis cruisers and one of the few that has been modified to shoot down ballistic missiles. The ship sustained structural damage when it ran aground off Honolulu in 2009.

The House bill also would have authorized an additional \$638 million to continue operating and upgrading the three cruisers slated for retirement in FY2013. However, the bill would approve a reduction in Navy end-strength from 325,700 to 322,700, as requested. The Armed Services Committee said the Navy could man the three ships even after absorbing that reduction.

The Senate version of the bill included a provision expressing the sense of Congress that the “operational capability” of all the ships slated for early retirement should be retained. However, the Senate bill added no funds to the request.

The conference report on H.R. 4310 included a provision (Section 354) barring the use of funds to retire (or prepare for retirement) any of the cruisers or amphibious ships. It also added to the requested authorization \$629 million for the operation and upgrade of all four of the cruisers, including the *Port Royal* and directed the Navy to prepare a detailed report on the how the damaged ship could be brought up to par.

## *Army and Marine Corps Drawdown<sup>9</sup>*

The Armed Services Committees of both the House and Senate, in their reports on their respective versions of the defense authorization act, expressed concern over the Administration’s plan to cut a total of 92,000 active-duty personnel from the Army and Marine Corps by the end of FY2017. Although both the House and Senate versions of the bill authorized the portion of that long-term reduction that the Administration proposed for FY2013 (approving cuts of 9,900 from the Army and 4,800 from the Marine Corps), the two committees expressed concern about the pace of the reductions while U.S. ground forces still are deployed in combat operations in Afghanistan. The Senate committee warned that the reduction could undermine morale by reducing “dwell-time”—that is, the period during which soldiers and Marines are stationed at their home bases between overseas deployments.<sup>10</sup>

The House bill included a provision (Section 403) that would have limited the number of personnel that could be cut in any one year from 2014 through 2017 to 15,000 from the Army and 5,000 from the Marine Corps. In its Statement of Administration Policy (SAP) on the bill, the Office of Management and Budget (OMB) said this provision would slow its planned drawdown in ground forces, thus increasing military personnel and health care costs by more than \$500 million in 2014 and by a total of \$1.9 billion through 2019.<sup>11</sup>

<sup>9</sup> For additional background, see CRS Report R42493, *Army Drawdown and Restructuring: Background and Issues for Congress*, by Andrew Feickert.

<sup>10</sup> H.Rept. 112-479, p. 145, and S.Rept. 112-173, p. 99.

<sup>11</sup> Office of Management and Budget, “Statement of Administration Policy: H.R. 4310—National Defense Authorization Act for FY2013,” [http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/112/saphr4310r\\_20120515.pdf](http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/112/saphr4310r_20120515.pdf).



S. 3254 included no such provision, but in its report to accompany the bill, the Senate Armed Services Committee directed DOD to include with each of its annual budget requests for FY2014-FY2017 two items relevant to this issue:<sup>12</sup>

- A prediction of the ratio of “dwell time” to deployment time for active and reserve component personnel that would result from the personnel reductions proposed in that budget; and
- An assessment of whether the proposed reductions could be reversed within one year, if unforeseen contingencies led to the deployment of more forces than the budget request had assumed.

The conference report on H.R. 4310 reiterated the Armed Services Committees’ concern about the wisdom of cutting the size of the Army and Marine Corps while troops remain engaged in Afghanistan. The final version of the bill also included a provision (Section 403) mirroring the House provision that allows the active-duty manpower of the Army and Marine Corps to be reduced by no more than 15,000 and 5,000 respectively in each fiscal year from 2014 through 2017.

### **TRICARE**

Neither the House-passed H.R. 4310 nor the Senate-passed S. 3254 would have authorized most of the Administration’s proposed new fees and fee increases for TRICARE beneficiaries and for retirees who benefit from the so-called TRICARE-for-Life program. Specifically, neither chamber’s version of the FY2013 NDAA would have authorized proposals to

- raise TRICARE-for-Life premiums for military retirees using a three-tier model linking the size of each beneficiary’s increase to the amount of his or her military retired pay;
- link increases in TRICARE’s so-called “catastrophic cap”—the maximum amount a family would have to pay in a single year—to increases in the federal government’s National Health Expenditure index; and
- increase the annual enrollment fees for the TRICARE Prime plan and introduce enrollment fees for the other TRICARE plans, including TRICARE-for-Life.

The House bill (Section 718) would have allowed increases in the TRICARE pharmacy co-payments for brand-name and non-formulary drugs, but at a lower rate than current law would allow. This section of the bill further provided that, beginning in 2014, pharmacy co-payments would be indexed to the annual retiree cost-of-living adjustment. It also directed the Secretary of Defense to conduct a pilot program that would use the national mail-order pharmacy program to refill prescription maintenance medications for each TRICARE-for-Life beneficiary (Section 717). All told, the House-passed bill would have added \$1.21 billion to the amount requested in the budget to compensate for savings the Administration had anticipated would result from the proposed TRICARE changes the House bill would not make.

S. 3254 would have allowed the proposed increase in TRICARE pharmacy co-payments at the rate allowed by current law. It also would have authorized \$452 million more than was requested for DOD’s health care program to compensate for savings projected to have resulted from TRICARE changes the bill would not authorize.

The conference report on H.R. 4310, as enacted, Section 712 would set new cost-sharing rates under the TRICARE pharmacy benefits program for fiscal year 2013 in statute, and would in

---

<sup>12</sup> S.Rept. 112-173, pp. 99-100.

fiscal years 2014 through 2022 limit any annual increases in pharmacy copayments to increases in retiree cost of living adjustments. Beyond fiscal year 2022, the Secretary of Defense would be authorized to increase copayments as the Secretary considers appropriate.<sup>13</sup>

### ***Abortion***

As enacted, the conference report included (Section 704) a provision of the Senate-passed bill authorizing the use of DOD funds to provide abortions in the case of pregnancies resulting from rape or incest.

### **Same-Sex Marriage**

The House bill included a provision (Section 537) that would prohibit the use of DOD facilities for any marriage or “marriage-like” ceremony unless the ceremony involves the union of one man and one woman. The bill also included a provision (Section 536) that would prohibit any military chaplain from being required to perform any duty or religious ceremony contrary to the chaplain’s conscience or religious beliefs. The provision also would have barred any adverse personnel action against a chaplain on the basis of his refusal to comply with any order prohibited by the section.

The enacted version of H.R. 4310 dropped the prohibition on same-sex marriages in DOD facilities, but included in Section 533 a modified version of the House provision allowing chaplains to refuse to officiate at such ceremonies on grounds of conscience or religious belief.

### ***Women in Combat Roles***<sup>14</sup>

In a February 2012 report mandated by Section 535 of the Ike Skelton National Defense Authorization Act for FY2011,<sup>15</sup> DOD announced its intention to relax several policies that restricted women from assignment to ground combat units and their associated support units. One of those announced changes was the development of “gender-neutral physical standards for occupational specialties closed [to women] due to physical requirements.” The enacted version of H.R. 4310 included a provision (Section 524), incorporated from the House-passed version of the bill, requiring DOD to report to Congress on the feasibility of developing such “gender-neutral” standards.

The House Armed Services Committee noted, in its report on the bill, that counterinsurgency operations in Iraq and Afghanistan “place female service members in direct combat action with the enemy.” Noting that some women who had been deployed in that theater were critical of the body armor currently issued to U.S. troops (which was designed for male body morphology), the committee directed the Secretary of the Army to assess the need for body armor tailored to female body types.<sup>16</sup>

The Senate Armed Services Committee, in its report on S. 3254, called the policy changes announced in DOD’s February 2012 report “a small step in the right direction,” but urged DOD

---

<sup>13</sup> For additional detail on TRICARE-related provisions of the FY2013 NDAA as enacted, see CRS Report R42651, *FY2013 National Defense Authorization Act: Selected Military Personnel Policy Issues*, coordinated by Catherine A. Theohary.

<sup>14</sup> For additional background, see CRS Report R42075, *Women in Combat: Issues for Congress*, by David F. Burrelli.

<sup>15</sup> U.S. Department of Defense, Office of the Under Secretary of Defense (P&R), Report to Congress on the Reviews of Laws, Policies and Regulations Restricting the Service of Female Members in the U.S. Armed Forces, February, 2012.

<sup>16</sup> H.Rept. 112-479, pp. 56-58.

to further relax current restrictions on the assignment of female service personnel, saying: “By limiting their use of the talents of female service members, the Department [of Defense] and the services are handicapping efforts to field the highest quality force possible.” The Senate committee directed the Secretary of Defense to report by February 1, 2013, on its implementation of the policy changes announced in the February report and to “make recommendations for regulatory and statutory change that the Secretary considers appropriate to increase service opportunities for women in the armed forces.”<sup>17</sup>

## Ground Combat Equipment (Authorization)<sup>18</sup>

Congressional action on authorization of funding for selected ground force equipment is summarized in **Table A-3**. Following are highlights:

### *M-1 Tanks, Bradley Troop Carriers, Hercules Tank Recovery Vehicles*

As part of DOD’s strategic reorientation,<sup>19</sup> the Army plans to dissolve at least 8 of its 47 active-duty brigade combat teams (BCTs),<sup>20</sup> including at least 2 of its 15 so-called “heavy” BCTs—units equipped with dozens of M-1 Abrams tanks and Bradley armored troop carriers. The Army has not decided the final number of active BCTs it wants to retain; how many of that number will be heavy BCTs; or the number of tanks, Bradleys, and other armored combat vehicles in each heavy unit.

In its report on H.R. 4310, the House committee expressed concern that budget pressures might induce the Army to eliminate too many heavy BCTs (which cost more to equip and operate than other units). The panel also objected to DOD’s plan to shut down, from 2013 through 2016, the production lines that upgrade M-1 tanks (in Lima, OH) and Bradleys (in York, PA).<sup>21</sup> Under the Administration’s plan, the two lines would reopen in 2017 to further modify tanks and Bradleys.

The House committee maintained that it was not clear either (1) that the planned temporary shut-downs would save very much, or (2) that the network of suppliers needed to support planned future upgrades could be reconstituted after a three-year break. The panel also contended that there was a need for additional upgraded combat vehicles and that pending Army decisions might further increase the requirement. Accordingly, the House bill increased above the budget request the amounts authorized for three of the Army’s heavy combat vehicles, authorizing

- \$255.4 million (an increase of \$181.0 million) to convert older M-1As to the M-1A2 SEP configuration, with improvements to night-vision equipment and other components;
- \$288.2 million (an increase of \$140.0 million) to upgrade Bradleys; and
- \$169.9 million to buy 51 Hercules tank recovery vehicles, designed to tow damaged tanks to safety (an increase of \$62.0 million and 20 vehicles).

<sup>17</sup> S.Rept. 112-173, pp. 117-18.

<sup>18</sup> For congressional action on appropriations for ground combat systems, see “Ground Combat Systems Appropriations.”

<sup>19</sup> See “New Strategic Guidance,” above.

<sup>20</sup> Brigade combat teams (BCTs), the Army’s basic combat units, comprising about 4,000 soldiers.

<sup>21</sup> H.Rept. 112-479, pp. 24-26.

The House committee also urged the Army to accelerate a program to equip its 1980s-vintage Paladin mobile howitzers with a new chassis and a drive train adapted from the Bradley troop carrier.

S. 3254 would have mirrored the House bill's authorization of \$255.4 million to convert older tanks to the M-1A2 SEP configuration and also would have authorized the amount requested to upgrade Bradleys but also would have authorized a total of \$230.9 million for Hercules tank recovery vehicles.<sup>22</sup>

The enacted version of H.R. 4310 added a total of \$338.0 million to the requested authorization, providing additional funding for Abrams upgrades and Bradley upgrades and for tank recovery vehicles.

### *New Generation of Tactical Vehicles*

The enacted version of the FY2013 NDAA, like the House and Senate versions, all approved the amounts requested to develop a new generation of Army vehicles:

- \$639.9 million for the Ground Combat Vehicle, intended to replace the Bradley;
- \$74.1 million for the Armored Multi-Purpose Vehicle (AMPV), intended to replace the Vietnam War-vintage M-113 troop carrier now used in various roles, including battlefield ambulance and supply hauler; and
- \$116.8 million for the Joint Light Tactical Vehicle (JLTV), intended to succeed the jeep-like "Humvee" (HMMWV).

### **Naval Systems (Authorization)<sup>23</sup>**

Congressional action on authorization of funding for selected naval systems is summarized in **Table A-5**. Following are highlights.

#### *Attack Submarines<sup>24</sup>*

As requested, the enacted version of H.R. 4310—like the House and Senate versions of the NDAA—authorized \$3.22 billion for two Virginia-class attack submarines. But all three versions of the NDAA also authorized \$1.65 billion—about \$778 million more than requested—for long lead-time components to be used for an additional submarine to be procured in FY2014. (The House bill would have added \$778.0 million while the Senate bill and the enacted version of H.R. 4310 added \$777.679 million.) The increase would allow the Navy to budget for two submarines in FY2014—as had been assumed in DOD's February 2011 budget projection—rather than one, as is assumed in the budget projection published in February 2012.

Like the House and Senate bills, the final version of H.R. 4310 includes a provision (Section 122) that would permit the use of a multi-year contract for procuring up to 10 *Virginia*-class attack submarines in FY2014-FY2018, and the use of incremental funding<sup>25</sup> in such a contract. The

<sup>22</sup> The M88 Hercules is built from the chassis design of the M-1's predecessor, the M60 Patton tank. It is, in essence, a very large, heavy, and armored tow truck for tanks.

<sup>23</sup> For congressional action on appropriations for naval systems, see "Naval Systems Appropriations."

<sup>24</sup> For additional background, see CRS Report RL32418, *Navy Virginia (SSN-774) Class Attack Submarine Procurement: Background and Issues for Congress*, by Ronald O'Rourke.

<sup>25</sup> In general, Congress requires that DOD budgets for weapons procurement adhere to a "full funding" policy, under which the entire procurement cost of a weapon or piece of equipment (except for certain "long lead-time" components)

Navy had requested authority for a multi-year contract to buy nine submarines during that period. The service did not request authority to use incremental funding in the contract, but testified that it wanted to find a way, if possible, to buy a second *Virginia*-class boat in FY2014 (which would be the 10<sup>th</sup> boat in the multi-year contract), and that doing so would likely require the use of incremental funding.

### ***DDG-51 Aegis Destroyers***<sup>26</sup>

Like the House and Senate versions of the NDAA, the enacted version of H.R. 4310 contains a provision (Section 123) authorizing the Navy to sign a multi-year contract to buy 10 Aegis destroyers in FY2013-FY2017. The Navy had requested authority for a multi-year contract to procure nine of the ships in that period, but indicated in testimony that it hoped that bids submitted for that contract might come in low enough to finance the procurement of a 10<sup>th</sup> ship.

As requested, all three versions of the NDAA would authorize \$3.05 billion for two destroyers in FY2013. The House bill would have authorized \$581.3 million—\$115 million more than requested—for long lead-time components to be used for the additional (10<sup>th</sup>) ship. However the Senate bill and the enacted version of H.R. 4310 authorized \$466.3 million, as requested, for long lead-time destroyer components.

### ***Ballistic Missile Submarines***<sup>27</sup>

In February 2011, DOD projected a FY2013 budget request totaling \$1.20 billion to continue developing a new class of 12 missile-launching submarines, designated SSBN(X). These ships are intended to replace the 14 *Ohio*-class subs built in the 1980s and 1990s, which are slated to begin retiring in 2027. The first of the new subs was slated to begin construction in FY2019.

The Administration's FY2013 budget request, unveiled in February 2012, would provide less than half of the amount earlier projected for FY2013—\$564.9 million—and would defer construction of the first of the new ships until FY2021.

**Table 11. FY2013 Missile Sub R&D Funding**

(amounts in millions of dollars)

|                              | <b>Projected<br/>2/2011</b> | <b>Requested<br/>2/2012</b> | <b>House-<br/>passed<br/>H.R. 4310</b> | <b>Senate<br/>passed<br/>S. 3254</b> | <b>Enacted<br/>H.R. 4310</b> |
|------------------------------|-----------------------------|-----------------------------|--|--------------------------------------|------------------------------|
| Ship design                  | 857.495                     | 483.095                     | 857.495                                | 483.095                              | 483.095                      |
| Nuclear<br>reactor<br>design | 347.095                     | 81.817                      | 81.817                                 | 81.817                               | 81.817                       |
| <b>Total</b>                 | <b>1,204.590</b>            | <b>564.913</b>              | <b>939.312</b>                         | <b>564.913</b>                       | <b>564.913</b>               |

is appropriated in the year in which the item is procured. Under "incremental funding," a weapon's cost is divided into two or more annual portions, or increments, that reflect the need to make annual progress payments to the contractor as the weapon is built. Congress then approves each year's increment as part of its action on that year's budget. See CRS Report RL31404, *Defense Procurement: Full Funding Policy—Background, Issues, and Options for Congress*, by Ronald O'Rourke and Stephen Daggett.

<sup>26</sup> For additional background, see CRS Report RL32109, *Navy DDG-51 and DDG-1000 Destroyer Programs: Background and Issues for Congress*, by Ronald O'Rourke.

<sup>27</sup> For additional background, see CRS Report R41129, *Navy Ohio Replacement (SSBN[X]) Ballistic Missile Submarine Program: Background and Issues for Congress*, by Ronald O'Rourke.

In its report on H.R. 4310, the House committee objected that, under the new schedule, the number of missile subs in service would drop to 10 or 11 ships for a dozen years (2029-2041). It added to the bill a provision (Section 121) requiring the Navy to maintain a force of at least 12 ballistic missile submarines. The House passed bill would have added \$374.4 million to the authorization requested to design the planned new sub, thus increasing that authorization to the level that had been projected in 2011. The House bill would authorize the amount requested to develop the new missile sub's nuclear powerplant.

Like the Senate bill, the enacted version of H.R. 4310 authorized the amounts requested for SSBN(X).

## Aircraft and Long-Range Strike Systems (Authorization)<sup>28</sup>

Congressional action on authorization of funding for selected aircraft and long-range strike programs is summarized in **Table A-9**. Following are some highlights.

### *Long-Range Bombers, Strike Weapons*

As requested, the authorized \$291.7 million to continue developing a new, long-range bomber the Air Force wants to begin procuring in the 2020s. The House rejected by a vote of 112-308 an amendment to its bill that would have delayed the program by 10 years and eliminated the authorization for FY2013 funds (see H.Amdt. 1109 in **Table 12**).

The enacted version of H.R. 4310 incorporated a provision of the House-passed bill (Section 211) requiring that the new bomber be equipped to carry nuclear weapons. According to the conference report on the bill, the Senate accepted the House provision, "with the understanding that the provision is consistent with the current Air Force plans."

The enacted bill, like the House-passed and Senate-passed versions, also authorizes, as requested, \$110.4 million for development of a "conventional, prompt global strike" system designed to place a precision-guided, non-nuclear warhead on a target anywhere in the world within minutes.

Like the House-passed version, the enacted version of H.R. 4310 authorized, as requested, a total of \$628.3 million to develop and install various modifications in B-52, B-1, and B-2 bombers currently in service. The Senate-passed bill, S. 3254, also would have authorized the requested bomber modification funds except for \$15.0 million cut from the \$327.4 million B-2 request on grounds of unspecified "efficiencies."

### *Carrier-Based UAVs*

The enacted version of H.R. 4310, like the House-passed and Senate-passed NDAAAs, authorized a total of \$264.7 million for two programs aimed at developing a long-range, stealthy drone aircraft to fly reconnaissance and attack missions from carriers. As requested, the Senate bill and the enacted version authorized \$142.3 million for the Unmanned Combat Air Vehicle (UCAV) project, which is intended to test the feasibility of the project, and \$142.5 million for the Unmanned Carrier-launched Airborne Surveillance and Strike (UCLASS) project, which is intended to produce an operational weapon. The House-passed version of H.R. 4310 would have cut \$75 million from the amount requested for UCLASS and added the same amount to the request for UCAV, requiring the Navy (in Section 212) to slow the former, more operationally oriented program while it conducts additional research in the UCAS program.

<sup>28</sup> For congressional action on appropriations for aviation systems, see "Aircraft Appropriations."



## Ballistic Missile Defense (Authorization)<sup>29</sup>

Congressional action on authorization of funding for selected missile defense programs is summarized in **Table A-1**. Following are some highlights.

The enacted version of H.R. 4310 authorized \$8.13 billion for programs managed by the Missile Defense Agency (MDA), which is \$394.1 million more than the Administration requested. The bulk of the increase reflects authorization of additional funding for several Israeli defense systems and for the Ground-based Midcourse Defense (GMD), currently deployed in Alaska and California which is intended to protect U.S. territory against a small number of missiles launched from North Korea.

The House-passed version of H.R. 4310 would have added to the \$7.74 billion MDA request an authorization for an additional \$1.31 billion. More than half that increase (\$680 million) would be authorized (Section 227) to be spent over several years to support Israel's purchase and operation of "Iron Dome" system, designed to intercept short-range rockets and artillery shells. Another major component of the House bill's increase was a proposed addition of more than 50% (\$460 million) to the \$903.2 million requested for GMD, of which \$103.0 million was to be spent adding to the current missile defense sites in Alaska and California a third site, located on the East Coast.

The Senate-passed version of the NDAA would have added \$410 million to the MDA request, including no additional funds for GMD and \$210.0 million for Iron Dome in FY2013.

The final bill added to the request authorizations of \$211.0 million for Iron Dome, \$168.0 million for other Israeli missile defense programs, and \$75.0 million for GMD.

## Ground-based Midcourse Defense (GMD) Enhancement

The House-passed version of the NDAA would have required DOD to begin developing a plan and a supporting environmental impact statement for putting into service by the end of 2015 an anti-missile interceptor site on the East Coast. The plan was supposed to evaluate the effectiveness from the proposed new site of various interceptor missiles including the three-stage weapon currently deployed at the existing GMD sites in Alaska and California, a two-stage version of the GMD missile, and several versions of the Navy's SM-3 Standard missile.

The enacted version of H.R. 4310 includes a provision that is generally similar, but drops the 2015 deadline. Section 224 of the bill requires that DOD evaluate, and prepare an environmental impact statement on three potential locations for a third GMD site, at least two of which are on the East Coast. The provision also requires DOD to submit with its FY2014 budget request a contingency plan for deploying GMD at one of the three sites evaluated.

The final version of the bill dropped a House provision that would have required GMD to be tested against a target ICBM during 2013. Currently, such a test is scheduled for late 2015. However, the enacted bill included a provision (Section 231) requiring DOD to report to Congress on the feasibility and cost-effectiveness of (1) testing the defense against an ICBM sooner than currently planned and (2) conducting GMD flight tests at the rate of at least three every two years.

<sup>29</sup> For congressional action on appropriations for missile defense systems, see "Missile Defense Appropriations."

## MEADS (Medium Extended Air Defense System) Authorization

Neither the House-passed, Senate-passed nor final versions of the bill authorized any of the \$400.9 million requested to continue development of the Medium Extended Air Defense System (MEADS), a program jointly funded by the United States, Germany, and Italy to develop a mobile air and missile defense system for combat units in the field. The system would incorporate the Patriot PAC-3 missile. Plans to procure MEADS as an operational system have been shelved, but the three partner countries plan to continue the development program in hopes of harvesting technologies that could be incorporated into other systems. Under the tri-national agreement governing the program, the United States could incur significant costs if the program were terminated.

In addition, Section 221 of the enacted version of H.R. 4310 included a provision, which had been included in both the House and Senate versions of the bill, barring DOD from obligating or expending funds for MEADS.<sup>30</sup>

## Commercial Satellite Export Rules

The enacted version of H.R. 4310 contains a provision that would give the President more flexibility than current law in deciding how to regulate the export of communications satellites pursuant to the Arms Export Control Act.<sup>31</sup> Section 1261 of the FY2013 NDAA repeals a provision of the FY1999 NDAA that had put “satellites and related items” on the U.S. Munitions List (administered by the State Department) and thus prohibited their export to countries toward which the United States maintains an arms embargo. By repealing that provision of the earlier bill, H.R. 4310 gives the President discretion to designate satellites and related items, as “dual use” items—i.e., equipment that could be used either for civilian or military purposes—which are listed on the Commerce Control List and subject to less restrictive export controls administered by the Commerce Department. The new law would retain the prohibition on satellite sales to or launches by China, North Korea, and countries designated as state sponsors of terrorism (Cuba, Iran, Sudan, Syria). Under the new law, a license application to export satellites and related items to a country in which the United States maintains a comprehensive arms embargo will face a presumption of denial, although not an outright prohibition.<sup>32</sup>

## Provisions Relating to Wartime Detainees

The House-passed and Senate-passed versions of the FY2013 NDAA each contained provisions relating to persons captured in the course of hostilities against Al Qaeda and associated forces, including those detained at the U.S. Naval Station at Guantanamo Bay, Cuba. Several of the provisions in the House bill aimed to extend the effect or clarify the scope of detainee provisions contained in the FY2012 NDAA while other provisions would have established new restrictions on the transfer or release of detainees held by the United States in Afghanistan. The Senate bill included provisions extending certain expiring restrictions on the handling of detainees that had been enacted as part of the FY2012 bill.

<sup>30</sup> This provision was flatly contradicted by a provision of the subsequently enacted FY2013 Consolidated and Full-Year Continuing Resolution. See below, “Missile Defense Appropriations” p. 62.

<sup>31</sup> The Arms Export Control Act of 1976 (Title II of P.L. 94-329) is codified in 22 U.S.C. Ch. 39.

<sup>32</sup> For additional information, see CRS Report R41916, *The U.S. Export Control System and the President's Reform Initiative*, by Ian F. Fergusson and Paul K. Kerr.



### **Detainee Issues**

For background and additional analysis of provisions of H.R. 4310 relating to detainees, see CRS Report R42143, *The National Defense Authorization Act for FY2012 and FY2013: Detainee Matters*, by Jennifer K. Elsea and Michael John Garcia.

Following are summaries of selected detainee-related provisions of H.R. 4310, as enacted.

### ***Military Trials for Foreign Terrorist Suspects***

The enacted version of the bill did not include a provision, adopted during House consideration of H.R. 4310, that would have required that a foreign national who (1) "engages or has engaged in conduct constituting an offense relating to a terrorist attack" on a U.S. target, and who (2) is subject to trial for the offense before a military commission, must be charged before a military commission rather than in federal court.

### ***Detainee Held at Guantanamo***

Many provisions in the 2012 NDAA affecting detainees at Guantanamo were scheduled to expire at the end of the fiscal year (though similar restrictions concerning the transfer of Guantanamo detainees are found in appropriations enactments in effect beyond that date). The enacted version of H.R. 4310 effectively extended several of these provisions through FY2013, including:

- a blanket funding bar on the transfer of Guantanamo detainees into the country (Section 1027);
- a prohibition on using funds to construct or modify facilities to house these detainees in the United States (Section 1022); and
- restrictions on the transfer of Guantanamo detainees to foreign countries (Section 1028).

A provision from the House bill (Section 1035) that was not retained would have barred any Guantanamo detainee who is "repatriated" to the former U.S. territories of Palau, Micronesia, or the Marshall Islands from traveling to the United States.

### ***Detainees Held Elsewhere Abroad***

The enacted version of H.R. 4310 establishes would new certification and congressional notification requirements relating to the transfer or release of non-U.S. or non-Afghan nationals held at the detention facility in Parwan, Afghanistan (Section 1025). It requires a report to be filed within 120 days describing the "estimated recidivism rates and the factors that appear to contribute to the recidivism of individuals formerly detained at the Detention Facility at Parwan, Afghanistan, who were transferred or released, including the estimated total number of individuals who have been recaptured on one or more occasion" (Section 1026).

The enacted version of the bill also requires the Secretary of Defense to submit a report regarding the use of naval vessels to detain persons pursuant to the Congressionally passed Authorization of the Use of Military Force (AUMF), and to notify Congress whenever such detention occurs (Section 1024). In 2011, a Somali national reportedly was detained on a U.S. vessel for two

months and interrogated by military and intelligence personnel before being brought into the United States to face criminal trial.<sup>33</sup>

### ***Detention of Persons in the United States:***

Although the President has stated that the Administration would not indefinitely detain Americans in the United States pursuant to the detention authorization in the FY2012 NDAA, that provision has been controversial.

A provision of the Senate-passed FY2013 NDAA—which was not retained in the enacted version of the bill—would have stipulated that authorizations to use force are not to be construed to permit detention of U.S. citizens or lawful permanent residents in the United States unless Congress passes a law expressly authorizing such detention. An amendment to remove military detention as an optional "disposition under the law of war" for persons in the United States was proposed during the House debate on H.R. 4310 but was not adopted.

Instead, the enacted version of H.R. 4310 includes (Section 1029) a modified version of a provision in the House-passed bill providing that nothing in the AUMF or in the 2012 NDAA is to be construed as denying "the availability of the writ of habeas corpus" or denying "any Constitutional rights in a court ordained or established by or under Article III of the Constitution" with respect to persons who are inside the United States who would be "entitled to the availability of such writ or to such rights in the absence of such laws."

The original provision from the House-passed bill, as amended on the floor, 172 would have covered only persons who are lawfully present in the United States when detained pursuant to the AUMF. Under the floor amendment, the provision would also have required the President to notify Congress within 48 hours of the detention of such a person, and established a requirement that such persons be permitted to file for habeas corpus "not later than 30 days after the person is placed in military custody."

The bill does not contain substantive clarification of which U.S. persons are lawfully subject to detention under the AUMF. Sections from the House bill setting forth congressional findings with respect to detention authority under the AUMF and 2012 NDAA and with respect to habeas corpus were omitted from the final version. Consequently, ambiguity with respect to who can be lawfully detained in the United States appears to have been preserved, but the enacted version of the bill provides reassurance that access to a court to petition for habeas corpus will remain available to those who are detained in the United States pursuant to the AUMF.

### **Smith-Mundt Act<sup>34</sup>**

Section 1078 of the enacted version of the authorization bill incorporates a modified version of a provision in the House-passed bill (Section 1097) amending and restating Section 501 of the United States Information and Educational Exchange Act of 1948 ("Smith-Mundt Act"; P.L. 80-402, 22 U.S.C. §1461) as well as Section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (P.L. 99-93; 22 U.S.C. §1461-1a). Prior to enactment of H.R. 4310, those two provisions of law authorized the Secretary of State to conduct public diplomacy programs that provide information about the United States, its people, and its culture to foreign publics, but prohibited the dissemination of that information within the United States until 12 years after the

<sup>33</sup> [http://www.washingtonpost.com/national/national-security/in-somali-terror-suspects-case-administration-blends-military-civilian-systems/2011/07/06/gIQAQ4AJ1H\\_story.html](http://www.washingtonpost.com/national/national-security/in-somali-terror-suspects-case-administration-blends-military-civilian-systems/2011/07/06/gIQAQ4AJ1H_story.html)

<sup>34</sup> This section was prepared by Matthew C. Weed, Analyst in Foreign Policy Legislation.

initial dissemination or preparation for dissemination of such information. Before 12 years have elapsed, Members of Congress, media organizations, and research students and scholars were allowed to examine such information, however media organizations and researchers were permitted to do so only at the Department of State. In addition, the two provisions prohibited the use of funds authorized and appropriated for State Department public diplomacy programs to influence public opinion in the United States.

The amendments incorporated in Section 1028 of the enacted bill removed the prohibition on domestic dissemination of public diplomacy information produced by the Department of State and the Broadcasting Board of Governors (BBG) intended for foreign audiences, while maintaining the prohibition on using public diplomacy funds to influence U.S. public opinion.<sup>35</sup> Proponents of these changes argued that the ban on domestic dissemination of public diplomacy information was impractical given the global reach of modern communications, especially the Internet, and that it unnecessarily prevented valid U.S. government communications with foreign publics due to U.S. officials' fear of violating the ban. They asserted as well that lifting the ban would promote the transparency in the United States of U.S. public diplomacy and international broadcasting activities conducted abroad. Critics of lifting the ban stated that it might open the door to more aggressive U.S. government activities to persuade U.S. citizens to support government policies, and might also divert the focus of State Department and the BBG communications from foreign publics, thus reducing their effectiveness.<sup>36</sup>

## House Floor Amendments

Following are selected amendments on which the House took action during consideration of H.R. 4310.

**Table 12. Selected House Floor Amendments to FY2013 National Defense Authorization Act (H.R. 4310)**

| Principal Sponsor | House Amdt. Number                  | Summary   | Disposition in House | Disposition in Conf. Rept. |
|-------------------|-------------------------------------|---|----------------------|----------------------------|
| <b>Pakistan</b>   |                                     |   |                      |                            |
| Rohrabacher       | H.Amdt. 1102                        | <b>Prohibit funding</b> for assistance to Pakistan in FY2013  | Rejected 84-335      | n/a                        |
| Connolly          | H.Amdt. 1104                        | Withhold <b>Coalition Support Funds</b> from Pakistan until it allows transit of U.S. and NATO supplies in and out of Afghanistan                         | Agreed to 412-1      | modified Section 1227      |
| Cicilline         | H.Amdt. 1139<br>( <i>en bloc</i> 5) | Condition availability of <b>Pakistan Counterinsurgency Fund</b> on certification that Pakistan is making significant efforts to counter the use of IEDs. | Agreed to voice vote | modified Section 1228      |

<sup>35</sup> Other provisions in law would continue to prohibit the use of federal funds for “publicity and propaganda” within the United States, including Section 1031(a)(1) of the National Defense Authorization Act for Fiscal Year 2010 (Division A of P.L. 111-84, 10 U.S.C. §2241a) placing this restriction on the Department of Defense, and government-wide restrictions placed in annual appropriations acts. For a review of U.S. law regulating federal communications in the United States, see CRS Report R42406, *Congressional Oversight of Agency Public Communications: Implications of Agency New Media Use*, by Kevin R. Kosar, and CRS Report RL32750, *Public Relations and Propaganda: Restrictions on Executive Agency Activities*, by Kevin R. Kosar.

<sup>36</sup> For further discussion of the Smith-Mundt Act’s domestic dissemination ban, see CRS Report R40989, *U.S. Public Diplomacy: Background and Current Issues*, by Kennon H. Nakamura and Matthew C. Weed.

| Principal Sponsor                                    | House Amdt. Number                  | Summary   | Disposition in House | Disposition in Conf. Rept. |
|--|-------------------------------------|---|----------------------|----------------------------|
| Flake  | H.Amdt. 1143                        | Withhold 90% of <b>Pakistan Counterinsurgency Fund</b> until 30 days after Secretaries of State and Defense update report to Congress on the strategy for using those funds.  | Agreed to voice vote | modified Section 1228      |
| <b>Afghanistan</b>                                   |                                     |   |                      |                            |
| Lee  | H.Amdt. 1103                        | Provide that funds authorized for operations in Afghanistan be used only for the safe and orderly <b>withdrawal of U.S. forces</b> and contractors.   | Rejected 113-303     | n/a                        |
| DeLauro  | H.Amdt. 1111<br>( <i>en bloc</i> 2) | Prohibit <b>purchase for Afghan security forces of helicopters</b> from any company controlled by a government that has supplied weapons to Syria or to a state sponsor of terrorism  | Agreed to voice vote | modified Section 1277      |
| Cicilline  | H.Amdt. 1139<br>( <i>en bloc</i> 5) | Condition availability of <b>Afghan Security Forces Fund</b> on certification that Afghanistan is "taking demonstrable steps" to recruit adequate number of personnel for Afghan Public Protection Force.                         | Agreed to voice vote | modified Section 1531      |
| <b>Iran</b>  |                                     |   |                      |                            |
| Lee  | H.Amdt. 1130                        | Create the position of Special Envoy for Iran to ensure that all <b>diplomatic avenues</b> are pursued to avoid a war with Iran and to prevent Iran from developing nuclear weapons.  | Rejected 77-344      | n/a                        |
| Conyers  | H.Amdt. 1137<br>( <i>en bloc</i> 4) | Stipulate that nothing in this bill shall be construed as authorizing the <b>use of military force</b> against Iran.  | Agreed to voice vote | accepted Section 1234      |
| <b>Detainee Issues</b>                               |                                     |   |                      |                            |
| Rooney   | H.Amdt. 1105                        | Direct DOD to try detainees in <b>military tribunals</b> rather than civil courts.  | Agreed to 249-171    | dropped                    |
| Gohmert  | H.Amdt. 1126                        | Stipulate that neither the 2001 Authorization of Military Force against Iraq nor the FY2012 National Defense Authorization Act deny any constitutional right, including <b>habeas corpus</b> , to anyone entitled to such rights. | Agreed to 243-173    | modified Section 1029      |
| Smith  | H.Amdt. 1127                        | Amend the FY2012 National Defense Authorization Act to eliminate " <b>indefinite detention</b> " of anyone detainees by providing for immediate transfer to trial in a federal or state court.                                    | Rejected 182-238     | n/a                        |
| <b>Strategic Weapons and Arms Control Agreements</b> |                                     |   |                      |                            |
| Markey   | H.Amdt. 1109                        | Delay development of <b>long-range, nuclear-armed bomber</b> for 10 years and reduce the bill by \$291.7 million, the amount it would authorize for that program, as requested  | Rejected 112-308     | n/a                        |
| Price  | H.Amdt. 1122                        | Prohibit the President from making <b>unilateral reductions</b> to U.S. nuclear forces.   | Agreed to 241-179    | modified Section 1038      |

| Principal Sponsor                | House Amdt. Number | Summary  | Disposition in House | Disposition in Conf. Rept. |
|----------------------------------|--------------------|--|----------------------|----------------------------|
| Johnson                          | H.Amdt. 1121       | Require the Secretary of Defense and Chairman of the Joint Chiefs of Staff to report to Congress whether the nuclear arms reductions required by the so-called <b>“new START” treaty</b> are in the national security interests of the United States.  | Rejected 175-245     | n/a                        |
| Rehberg                          | H.Amdt. 1140       | Prohibit elimination of any one of the three legs of the U.S. strategic <b>nuclear “triad”</b> (land-based ICBMs, sub-launched missiles, and bombers) and prohibit reductions to the U.S. strategic nuclear force pursuant to the “new START” treaty unless the Secretary of Defense certifies that (1) Russia is required by the treaty to make commensurate reductions; and (2) Russia is not acquiring nuclear-armed systems not covered by the treaty that could reach U.S. territory. | Agreed to 238-162    | modified Section 1042      |
| Johnson                          | H.Amdt. 1120       | State as a “finding” of Congress that the deployment of tactical <b>nuclear weapons to South Korea</b> would be politically destabilizing and not in the U.S. national interest.   | Rejected 160-261     | n/a                        |
| Lamborn                          | H.Amdt. 1131       | Bar the expenditure of any funds for Russia under the <b>Cooperative Threat Reduction (CTR) program</b> ,—which is intended to dismantle weapons of mass destruction in the former Soviet—unless the Secretary of Defense certifies that Russia no longer is supporting the Syrian regime and is not assisting Syria, North Korea, or Iran in developing weapons of mass destruction. The Secretary could waive the prohibition on grounds of national security.                           | Agreed to voice vote | modified Section 1295      |
| Franks                           | H.Amdt. 1135       | Bar the expenditure of any <b>funds for Russia for the purpose of nuclear nonproliferation</b> unless the Secretary of Energy certifies that Russia no longer is supporting the Syrian regime and is not assisting Syria, North Korea, or Iran in developing weapons of mass destruction. The Secretary could waive the prohibition on grounds of national security.   | Agreed to 241-181    | dropped                    |
| Polis                            | H.Amdt. 1110       | Reduce by \$403 million the amount authorized for <b>the Ground-based Mid-course Missile Defense (GMD) system</b> .  | Rejected 165-252     | n/a                        |
| Duncan                           | H.Amdt. 1128       | Bar the use of any funds authorized by the bill for any organization established by the United Nations in connection with the <b>Law of the Sea (LOS) Treaty</b> .   | Agreed to 229-193    | dropped                    |
| <b>Budget and Budget Process</b> |                    |  |                      |                            |
| Lee                              | H.Amdt. 1125       | Direct the President to <b>reduce the amount</b> authorized by this bill to be appropriated by a total of \$8.231 billion.   | Rejected 170-252     | n/a                        |
| Rigell                           | H.Amdt. 1123       | Replace the discretionary spending caps for FY2013 with caps equivalent to those set by the <b>House-passed Budget Resolution</b> (H.Con.Res. 112), contingent on the enactment of spending reductions over five years at least as large as the reductions that would have resulted from sequestration.  | Agreed to 220-201    | dropped                    |

| Principal Sponsor     | House Amdt. Number                  | Summary   | Disposition in House | Disposition in Conf. Rept.  |
|-----------------------|-------------------------------------|---|----------------------|-----------------------------|
| Flake                 | H.Amdt. 1111<br>( <i>en bloc</i> 2) | Provide that funds authorized for appropriation to pay for <b>Overseas Contingency Operations (OCO)</b> can be spent only on items and activities requested by the President in the OCO portion of the FY2013 budget request. | Agreed to voice vote | dropped                     |
| <b>Other Subjects</b> |                                     |   |                      |                             |
| McCollum              | H.Amdt. 1138<br>( <i>en bloc</i> 4) | Spend no more than \$200.0 million on <b>military bands</b> .   | Agreed to voice vote | dropped                     |
| Duncan                | H.Amdt. 1137<br>( <i>en bloc</i> 3) | Prohibit the use of funds for <b>joint military exercises with Egypt</b> if that country withdraws from its 1970 peace treaty with Israel.  | Agreed to voice vote | dropped                     |
| Thornberry            | H.Amdt. 1137<br>( <i>en bloc</i> 4) | Amend the <b>Smith-Mundt Act</b> to repeal the bar on domestic dissemination of public diplomacy material produced for dissemination to foreign audiences.  | Agreed to voice vote | modified Sec. 1078          |
| Price                 | H.Amdt. 1142                        | Require the Department of Justice to investigate possible violations of law regarding <b>leaks of sensitive information</b> about U.S. and Israeli military and intelligence capabilities.                                    | Agreed to 379-38     | modified Section 1080       |
| Smith                 | H.Amdt. 1100<br>( <i>en bloc</i> 1) | Remove <b>commercial satellites</b> from the Munitions Control List.  | Agreed to voice vote | modified Sections 1261-1067 |
| Smith                 | H.Amdt. 1119<br>( <i>en bloc</i> 3) | Establish a <b>Sexual Assault Oversight Council</b> to provide independent oversight of DOD efforts to prevent and prosecute sexual assault in the armed forces.  | Agreed to voice vote | dropped                     |
| Bartlett              | H.Amdt. 1106                        | Prohibit federal agencies from requiring contractor to sign a <b>Project Labor Agreement</b> as a condition of winning a federal construction project.  | Agreed to 211-209    | dropped                     |
| Coffman               | H.Amdt. 1112                        | Repeal the current <b>moratorium on A-76</b> "contracting out" competitions.  | Rejected 209-211     | n/a                         |
| Wittman               | H.Amdt. 1116                        | Require that a uniformed military chain of command, headed by a commissioned military officer, control the <b>Army National Military Cemeteries</b> .   | Agreed to voice vote | dropped                     |

**Notes:** "House Amendment Number" is the number assigned to an amendment by the House Clerk, by which amendments can be traced through CRS's Legislative Information System (LIS). It is not the same as the number assigned to the amendment by the House Rules Committee in H.Rept. 112-485, its report on the rule that governed debate on amendments to H.R. 4310 (H.Res. 661).

During floor action on the bill, dozens of amendments were aggregated into several *en bloc* amendments, each of which was agreed to by voice vote. Individual amendments in this table that were agreed to as a component of one of those *en bloc* amendments are so identified.

## Senate Floor Amendments

Following are selected amendments on which the House took action during consideration of S. 3254.

**Table 13. Selected Senate Floor Amendments to FY2013 National Defense Authorization Act (S. 3254)**

| Principal Sponsor                    | Senate Amdt. Number | Summary  | Disposition in House        | Disposition in Conf. Rept. |
|--------------------------------------|---------------------|--|-----------------------------|----------------------------|
| <b>Afghanistan</b>                   |                     |  |                             |                            |
| Sessions                             | S.Amdt. 3009        | Require 30 days prior notice to Congress before making any binding <b>security agreement with Afghanistan</b>  | Agreed to voice vote        | modified Sec. 1225         |
| Feinstein                            | S.Amdt. 3018        | Stipulate that neither the 2001 Authorization of Military Force against Iraq nor any similar authorizes the <b>indefinite detention</b> without trial of any U.S. citizen or lawful permanent resident | Agreed to 67-29             | modified Sec. 1029         |
| Collins                              | S.Amdt. 3042        | Require a report by DOD on “ <b>insider attacks</b> ” against U.S. and coalition forces in Afghanistan   | Agreed to voice vote        | modified Sec. 1212         |
| Merkley                              | S.Amdt. 3096        | Express the sense of Congress in support of an <b>accelerated transition</b> of responsibility for combat and security in Afghanistan from U.S. to Afghan government forces.                           | Agreed to 62-33             | accepted Sec. 1226         |
| Casey                                | S.Amdt. 3193        | Require DOD to develop a plan to promote the <b>security of Afghan women</b> after Afghan forces assume responsibility for security in that country  | Agreed to unanimous consent | modified Sec. 1223         |
| McCain                               | S.Amdt. 3261        | Require the chairman of the Joint Chiefs of Staff to report to Congress an <b>assessment of the risks</b> associated with any future change in the number of U.S. troops in Afghanistan                | Agreed to unanimous consent | modified Sec. 1213         |
| <b>Sexual Assault and Harassment</b> |                     |  |                             |                            |
| Boxer                                | S.Amdt. 2981        | <b>Prohibit commissioning or enlistment</b> in the armed forces of anyone convicted of a felony sexual offense   | Agreed to unanimous consent | accepted Sec. 523          |
| Gillibrand                           | S.Amdt. 3016        | Require that any service member convicted by court-martial of sexual assault or rape be <b>discharged</b>  | Agreed to voice vote        | accepted Sec. 572          |
| Klobuchar                            | S.Amdt. 3102        | Require the <b>retention of certain reports</b> filed in cases of sexual assault involving members of the military   | Agreed to unanimous consent | modified Sec. 577          |
| Klobuchar                            | S.Amdt. 3234        | Add to the <b>amount of information</b> contained in an annual DOD report regarding sexual assaults involving members of the military  | Agreed to unanimous consent | accepted Sec. 575          |
| Klobuchar                            | S.Amdt. 3105        | Require DOD to develop a <b>comprehensive program</b> for prevention of and response to sexual harassment  | Agreed to unanimous consent | modified Sec. 545          |
| <b>Embassy Security</b>              |                     |  |                             |                            |
| McCain                               | S.Amdt. 3051        | Increase the <b>number of Marines</b> assigned to provide security at U.S. embassies by up to 1,000 personnel  | Agreed to voice vote        | modified Sec. 404          |



| Principal Sponsor                   | Senate Amdt. Number | Summary  | Disposition in House        | Disposition in Conf. Rept. |
|-------------------------------------|---------------------|--|-----------------------------|----------------------------|
| Portman                             | S.Amdt. 3142        | Require a <b>DOD report</b> on the department's role in providing security to U.S. diplomatic missions   | Agreed to unanimous consent | dropped                    |
| <b>Alternative Fuel Development</b> |                     |  |                             |                            |
| M. Udall                            | S.Amdt. 2985        | Strike from the bill Section 313 which would prohibit the purchase of <b>alternative fuels</b> most costly than traditional fuels.   | Agreed to 62-37             | n/a                        |
| Hagan                               | S.Amdt. 3095.       | Strike from the bill Section 2823 which would prohibit DOD from planning, designing or constructing a <b>biofuels refinery</b>   | Agreed to 54-41             | n/a                        |
| <b>Other</b>                        |                     |  |                             |                            |
| Murray                              | S.Amdt. 3099        | Require the establishment of comprehensive, standardized <b>suicide-prevention</b> programs across all DOD components  | Agreed to voice vote        | modified Sec. 582          |
| Menendez                            | S.Amdt. 3232        | Expand the range of U.S. <b>sanctions</b> against foreign firms that assist certain segments of the Iranian economy  | Agreed to 94-0              | modified Secs. 1241-1275   |
| Cardin                              | S.Amdt. 3025        | Strike from the bill Section 341 which would require reductions in the number of <b>DOD civilian employees</b> (including contractors) that would reduce future budgets by the same amount as planned reductions in the number of military personnel | Rejected 41-53              | n/a                        |
| McCain                              | S.Amdt. 3054        | Require the Secretary of the Navy to inform Congress 30 days prior to announcing the <b>name of a new Navy ship</b>  | Agreed to voice vote        | accepted Sec. 1018         |
| Gilliland                           | S.Amdt. 3058        | Provide that certain <b>treatments for autism</b> would be covered by the TRICARE health care program and transferring \$45 million from other accounts into the TRICARE account for that purpose  | Agreed to 66-29             | modified Sec. 705          |
| Rubio                               | S.Amdt. 3175        | Express the sense of Congress in opposition to the planned <b>retirement of Navy cruisers and amphibious landing ships</b> earlier than had been scheduled   | Agreed to unanimous consent | modified Sec. 354          |
| Sanders                             | S.Amdt. 3183        | Make available to the public online data concerning DOD <b>officials who are seeking jobs</b> with defense contractors   | Agreed to voice vote        | dropped                    |
| Coburn                              | S.Amdt. 3237        | Create a civilian Chief Management Office for DOD if the department does not obtain an unqualified <b>audit</b> of its financial statements for FY2017   | Agreed to unanimous consent | modified Sec. 1007         |
| Ayotte                              | S.Amdt. 3245        | Prohibit the transfer or release of <b>detainees</b> held at Guantanamo Bay, Cuba  | Agreed to 54-41             | modified Sec. 1027         |
| Cornyn                              | S.Amdt. 3260        | Prohibit dealing with <b>Rosboronexport</b> (the Russian government's arms export organization), with the proviso that the ban can be waived on national security grounds  | Agreed to unanimous consent | modified Sec. 1277         |



| Principal Sponsor | Senate Amdt. Number | Summary   | Disposition in House        | Disposition in Conf. Rept. |
|-------------------|---------------------|---|-----------------------------|----------------------------|
| Levin             | S.Amdt. 3280        | Require defense <b>contractors</b> dealing with classified information to report to DOD when their information <b>networks are penetrated</b> | Agreed to Unanimous consent | modified Sec. 941          |

**Note:** “Senate Amendment Number” is the number assigned to an amendment by the Senate Clerk, by which amendments can be traced through CRS’s Legislative Information System (LIS).

## FY2013 DOD Appropriations Bill

### DOD Appropriations Overview

The FY2013 DOD appropriations bill reported by the House Appropriations Committee May 25, 2012 (H.R. 5856), would provide a total of \$599.89 billion for DOD activities other than military construction,<sup>37</sup> \$3.09 billion more than the President requested. Amendments to the bill, adopted by the House on July 18-19, 2012, reduced the appropriation to \$597.71 billion.

In exceeding the President’s budget request—and in many of its details—the House-passed version of the DOD appropriations bill parallels H.R. 4310, the House-passed version of the companion FY2013 National Defense Authorization Act (NDAA). By the same token, the House-passed appropriation is consistent with the defense funding cap set by H.Con.Res. 112, the FY2013 budget resolution adopted by the House on March 29, 2012. Thus, it exceeds defense spending cap set by the Budget Control Act of August 2011. On those grounds, the Administration warned that the President’s senior advisors would recommend that he veto the house-passed bill in its current form.<sup>38</sup>

The version of H.R. 5856 reported by the Senate Appropriations Committee on August 2, 2012, would provide \$596.64 billion—\$155.0 million less than the Administration’s request and \$1.06 billion less than the House-passed version (**Table 14**).

<sup>37</sup> DOD’s budget for the construction of facilities and the construction and operation of military family housing is funded by H.R. 5854, the FY2013 Military Construction, Veterans Affairs and Related Agencies appropriations bill. See CRS Report R42586, *Military Construction, Veterans Affairs, and Related Agencies: FY2013 Appropriations*, by Daniel H. Else, Christine Scott, and Sidath Viranga Panangalanangala.

<sup>38</sup> OMB, Statement of Administration Policy on H.R. 5856, June 28, 2012.

**Table 14. FY2013 DOD Appropriations Act (H.R. 5856)**

(budget authority in thousands of dollars)

|  | <b>FY2012<br/>Approp.<br/>(P.L. 112-74)</b> | <b>FY2013<br/>Admin.<br/>Request</b> | <b>FY2013<br/>House-<br/>Passed<br/>(H.R. 5856)</b> | <b>FY2013<br/>Senate<br/>Committee-<br/>reported<br/>(H.R. 5856)</b> | <b>FY2013<br/>Enacted<br/>DOD<br/>Approp.<br/>(H.R. 933,<br/>Div. C)</b> |
|--|---|--------------------------------------|---|--|--|
| Military Personnel   | 131,090,539                                 | 128,430,025                          | 128,462,794   | 127,502,463  | 127,533,073  |
| Operation and Maintenance  | 163,073,141                                 | 174,938,933                          | 175,103,369   | 170,785,490  | 173,494,558  |
| Procurement  | 104,579,701                                 | 97,194,677 <sup>a</sup>              | 102,512,191   | 97,635,496   | 100,350,714  |
| Research, Development, Test & Evaluation                           | 72,420,675                                  | 69,407,767                           | 69,984,145  | 69,091,078   | 69,928,477   |
| Revolving and Management Funds                                     | 2,675,529                                   | 2,124,320                            | 2,080,820   | 2,214,024  | 2,214,024  |
| Defense Health Program and other DOD Programs                      | 35,593,020                                  | 35,430,579                           | 35,905,118  | 35,013,758   | 35,526,674   |
| Related Agencies   | 1,061,591                                   | 1,054,252                            | 1,025,476   | 1,056,346  | 1,048,421  |
| General Provisions (net) <sup>b</sup>                              | -2,597,704                                  | 8,000                                | -4,470,321  | 319,345  | 507,935  |
| <b>Subtotal: Base Budget</b>                                       | <b>507,896,492</b>                          | <b>508,588,553</b>                   | <b>510,603,592</b>                                  | <b>503,618,000</b>   | <b>510,603,876</b>   |
| Base Budget Scorekeeping Adjustments                               | +10,764,000                                 | +8,057,000                           | +8,057,000  | +8,057,000   | +8,057,000   |
| <b>Subtotal: Overseas Contingency Operations (OCO)</b>             | <b>114,965,635</b>                          | <b>88,210,745</b>                    | <b>87,105,081</b>                                   | <b>93,026,000</b>  | <b>86,954,838</b>  |
| OCO Scorekeeping Adjustments                                       | +117,000                                    | +271,000                             | +271,000  | +271,000   | +217,000   |
| <b>Pre-rescission total DOD Appropriations in H.R. 933, Div. C</b> | <b>622,862,127</b>                          | <b>596,799,298</b>                   | <b>597,708,673</b>                                  | <b>596,644,000</b>   | <b>597,558,714</b>   |
| Rescission mandated by Section 3001 of H.R. 933)                   | n/a   | n/a                                  | n/a   | n/a  | -472,000   |
| <b>Grand Total provided by H.R. 933, Div. C</b>                    | <b>n/a</b>                                  | <b>n/a</b>                           | <b>n/a</b>  | <b>n/a</b>   | <b>597,086,714</b>   |
| Scorekeeping Adjusted Total <sup>c</sup>                           | 633,743,127                                 | 605,127,298                          | 606,036,673   | 604,972,000  | 605,832,714  |

**Source:** House Appropriations Committee, H.Rept. 112-493, Report on H.R. 5856, Department of Defense Appropriations Bill, FY2013, pp. 329-342; Senate Appropriations Committee, S.Rept. 112-196, Report on H.R. 5856, Department of Defense Appropriations Bill, FY2013, pp. 283-291.

- a. In addition to these funds requested for appropriation to be spent in FY2013, the Administration requested an additional \$4.43 billion in so-called “advance appropriations”—funds to be spent in FY2014-FY2017. The Appropriations and Armed Services Committees of both the House and the Senate rejected the proposal for “advance appropriations,” accordingly those funds are not included in the tables in this report.
- b. The bulk of General Provision funding changes result from provisions that would use previously appropriated but unobligated funds for DOD’s FY2013 program, thus reducing the amount of new budget authority required. For that purpose, H.R. 5856 would withdraw \$2.46 billion from the Army Working

- Capital Fund and would rescind a total of \$1.60 billion appropriated in base budget and OCO accounts for prior years.
- c. The bulk of the scorekeeping adjustments are accounted for by the amounts appropriated each year by permanent law (rather than through annual appropriations bills) for the accrual contributions to the fund from which Medicare-eligible military retirees are covered under the “TRICARE-for-Life” program. The TRICARE-for-Life contributions for FY2013, which are derived from actuarial calculations, are \$8.03 billion in the base budget and \$271 million in the OCO account.

## Proposed Administration Savings and Congressional Response

The House-passed and Senate committee-reported versions of H.R. 5856 would each add billions of dollars to the Administration’s budget request—\$5.5 billion in the case of the House bill—reversing some of the Administration’s DOD budget reduction initiatives, summarized in **Table 15**.

In each version of the bill, that gross increase, along with other congressional initiatives summarized in **Table 16**, is partly offset by funding reductions summarized in **Table 17**.

**Table 15. Administration Budget Reduction Initiatives and Congressional Reversals**

| Administration Proposal   | House-passed H.R. 5856   | Senate Committee-reported H.R. 5856   | Conference Report H.R. 933  |
|---|--|---|---|
| Disband 7 Air Force and Air National Guard squadrons; Retire 303 aircraft.<br>Cancel planned procurements of Global Hawk Block 30 surveillance drones and C-27 small cargo planes. Retire those Block 30s and C-27s already purchased | Prohibits retirement or transfer to another unit of any aircraft; Adds a total of \$699.2 million to budget request for Air Force, Air Force Reserve and Air National Guard to continue operating the seven squadrons the Administration would eliminate and fund the associated 6,560 personnel slots.<br><br>Adds \$278.0 million to continue procuring and operating Global Hawk Block 30s and \$140.0 million to continue operating C-27s. | Report directs DOD not to make the proposed changes until Congress receives recommendations of a Commission that would be established by the Senate version of the defense authorization bill (S 3254); Adds to the budget request \$455.8 million to continue operation of the units in question and fund 9,460 personnel slots for those units.<br><br>Adds \$357.5 million to continue operating Global Hawk Block 30s, C-27s and A-10s which the Administration would retire and orders the Air Force to spend an additional \$133.0 million for Global Hawk operations; Also requires DOD to spend funds previously appropriated for Global Hawks and C-27s. | Prohibits retirement of aircraft or disbanding of the seven squadrons proposed by Administration (Sec. 8115); Adds to the budget request \$557.2 million to continue operating those squadrons and fund 6,994 personnel slots for those units.<br><br>Adds \$341.3 million to continue procuring and operating Global Hawk Block 30s, C-27s and A-10s and orders the Air Force to spend an additional \$133.0 million for Global Hawk operations.<br><br>Also requires DOD to spend funds appropriated in prior years for Global Hawks and C-27s (Sec. 8118). |

| Administration Proposal  | House-passed H.R. 5856   | Senate Committee-reported H.R. 5856  | Conference Report H.R. 933   |
|--|--|--|--|
| Retire four Aegis cruisers in FY2013 and three additional cruisers and two amphibious landing ships in FY2014.                     | Adds \$602.3 million to keep in service (and modernize as earlier planned) three of the four ships. Allows retirement of the <i>Port Royal</i> , severely damaged in a 2009 grounding.   | Adds \$2.38 billion to man, equip, modernize (as previously planned) and operate thru FY2014 all seven cruisers and both amphibious ships the Administration would retire.   | Incorporates Senate provision (as Sec. 8105).  |
| Reduce TRICARE budget request by \$1.8 billion in anticipation of proposed increases to various TRICARE fees and pharmacy co-pays. | Adds no funds to the TRICARE request, but committee says it will “continue to evaluate” the proposed changes pending action on the defense authorization bill.<br>In addition, the House bill cuts \$400.0 million from the \$16.15 billion TRICARE request on grounds that, historically, the program has spent less than was appropriated (see also <b>Table 17</b> ). | Adds to the TRICARE request \$273.0 million to replace increased fees assumed in the budget, but not authorized by Congress.<br><br>In addition, cuts \$807.4 million from TRICARE request on grounds of “historic underexecution”—i.e., the program typically has spent less than was appropriated (see also <b>Table 17</b> ). | Incorporates Senate funding changes.   |
| Slow design of new ballistic missile submarine, reducing FY2013 funding by more than half (\$640 million) from earlier projection. | n/c  | n/c  | n/c  |
| Budget for one <i>Virginia</i> -class sub and one Aegis destroyer in FY2014 instead of two of each type (as had been planned).     | Adds \$723.0 million to submarine account to allow the purchase of two subs in FY2014, and \$1.00 billion to allow the purchase of three destroyers rather than two (as requested) in FY2013.  | Adds \$777.7 million to submarine account to allow the purchase of two subs in FY2014, and \$1.00 billion to allow the purchase of three destroyers rather than two (as requested) in FY2013.  | Incorporates Senate funding changes.   |
| Efficiencies   | Adds a total of \$2.11 billion to offset Administration “efficiencies” which the House committee deemed unrealistic and likely to lead to deferred maintenance of facilities.  | n/c  | Adds a total of \$575.2 million to offset Administration “efficiencies” which the House committee deemed unrealistic and likely to lead to deferred maintenance of facilities. |

**Sources:** H.Rept. 112-493, House Committee on Appropriations, Subcommittee on Defense, *Department of Defense Appropriations Act, 2013*, report to accompany H.R. 5856; S.Rept. 112-196, Senate Committee on Appropriations, report to accompany H.R. 5856; Congressional Record, March 11, 2013, Explanatory Statement on H.R. 933, Division C, pp. S1316-S1546.

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

## Congressional Initiatives

As reported by the House Appropriations Committee, H.R. 5856 also would add to the budget request upwards of \$6.0 billion for certain programs for which Congress typically increases funding above the proposed level.

**Table 16. Selected Congressional Actions**

| Administration proposal  | House-passed H.R. 5856  | Senate Committee-reported H.R. 5856   | Conference Report H.R. 933             |
|--|---|---|--|
| Requests \$903.0 million to continue upgrading the Ground-Based Midcourse Defense (GMD) anti-missile system deployed in Alaska and California.   | Adds \$75.0 million but does not order development of a third missile defense site to be located on the East Coast (as does the House-passed NDAA).                                     | n/c   | Incorporates House funding increase.   |
| Requests \$100.0 million to continue development of three Israeli missile defense systems.   | Adds \$168.0 million for the three Israeli systems and an additional \$680.0 million for the Israeli "Iron Dome" system designed to intercept short-range rockets and artillery shells. | Adds \$168.9 million for the three Israeli systems and an additional \$211.0 million for the Israeli "Iron Dome" system designed to intercept short-range rockets and artillery shells. | Incorporates Senate funding increases. |
| Phases out upgrades to Abrams tanks and Bradley troop carriers, preparatory to shutting down those production lines from 2014 until 2017, when new upgrade programs would begin.                 | Adds \$321.0 million to continue Abrams and Bradley upgrades and adds \$62 million to the amount requested for armored tank recovery vehicle  | Adds \$165.4 million to continue Abrams upgrade and adds \$123.0 million to the amount requested for armored tank recovery vehicle  | Incorporates House funding increases.  |
| Requests \$2.04 billion for 26 F/A-18E/F Super Hornet Navy fighters and \$1.03 billion for 12 EA-18G Growler electronic warfare planes (with no funds to continue Growler production in FY2014). | Adds \$605.0 million for 11 additional F/A-18E/Fs and \$45.0 million for long lead-time components to allow the purchase of 15 additional Growlers in FY2014.                           | Adds \$60.0 million for long lead-time components to allow the purchase of 15 additional Growlers in FY2014.  | Incorporates House funding increases.  |

| Administration proposal  | House-passed H.R. 5856   | Senate Committee-reported H.R. 5856  | Conference Report H.R. 933   |
|--|--|--|--|
| Requests \$836.6 million for seven C-130s equipped for mid-air refueling, search and rescue, and other missions.   | Adds \$447.0 million for seven additional C-130s equipped for various missions.  | Reallocates \$72.0 million within Marine Corps budget request to buy two KC-130J refueling tankers (at Marine Corps request) and adds \$180.0 million for components that would allow procurement of 18 C-130Js in FY2014. | Incorporates all but \$10 million of both House and Senate funding increases: \$437.0 for 7 new planes; \$72.0 million reallocated within Marine Corps budget to buy two planes; and \$180.0 million to lay ground work for procurement of 18 planes in FY2014 |
| Requests no funding for the National Guard and Reserve Equipment account (NGREA)   | Adds \$2.00 billion for the NGREA account and an additional \$219.0 million for Blackhawk helicopters and \$100.0 million for HMMWVs for the National Guard.   | Adds \$1.0 billion for the NGREA account.  | Adds \$1.5 billion for the NGREA account   |
| Requests no funding for OCO Transfer Fund, to cover unforeseen costs of operations in Iraq and Afghanistan.  | Creates a \$3.25 billion OCO Transfer Fund consisting of \$2.0 billion cut from funds requested for Army OCO operations plus \$1.25 billion added to the budget.   | n/c  | Creates a \$582.9 million OCO Transfer Fund  |
| Within the \$673.0 million requested for medical R&D, allocates no funds for specific programs for which Congress has added funds to previous budget requests. | Adds \$576.4 million for 21 peer-reviewed medical R&D programs.  | Allocates \$354 million (within the \$673.0 million requested) to increase spending for six peer-reviewed medical R&D programs.  | Adds \$635.4 million for 22 peer-reviewed medical R&D programs   |
| Requests no funds for Defense Rapid Innovation Fund  | Adds \$250.0 million for Defense Rapid Innovation Fund   | Adds \$200.0 million for Defense Rapid Innovation Fund   | Incorporates House funding increase.   |
|  | Adds \$1.0 billion for Marine Corps “reset”—i.e., repair and reconditioning of equipment worn out by use in Afghanistan and Iraq; This increase partly offset by cut of \$500.0 million to Marine Corps logistics funding on grounds of unjustified [cost] growth. | n/c  | n/c  |

**Sources:** H.Rept. 112-493, House Committee on Appropriations, Subcommittee on Defense, Department of Defense Appropriations Act, 2013, report to accompany H.R. 5856; S.Rept. 112-196, Senate Committee on

Appropriations, report to accompany H.R. 5856; Congressional Record, March 11, 2013, Explanatory Statement on H.R. 933, Division C, pp. S1316-S1546.

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

## Funding Offsets

As is customary in annual DOD appropriations bills, the House-passed and Senate committee-reported versions of H.R. 5856 would offset some of its proposed additions to the budget request with a small number of relatively large funding reductions (in addition to dozens of smaller cuts justified in terms of specific problems with specific programs).

**Table 17. Selected Funding Offsets**

| Issue  | House-passed<br>H.R. 5856  | Senate<br>Committee-<br>reported<br>H.R. 5856   | Conference<br>Report<br>H.R. 933  |
|--|--|---|---|
| Depot maintenance  | Cuts \$2.46 billion from the Army Working Capital Fund on grounds that Army depots have excessively large backlog of work funded in FY2012 that will carry over into FY2013. | Cuts a total of \$331.7 million from the Operation and Maintenance Accounts of the four services to reduce their backlogs of depot maintenance. | Cuts a total of \$332.3 million from the Operation and Maintenance Accounts of the four services to reduce their backlogs of depot maintenance. |
| TRICARE  | Cuts \$400.0 million from the \$16.15 billion TRICARE request on grounds that the program historically underspends its annual appropriation.                                 | Cuts \$807.4 million from the TRICARE request on grounds of "historical underexecution"   | Incorporates Senate funding reduction.  |
| Requests labeled by Appropriations Committee as "unjustified," "early to need," or otherwise unnecessary | Cuts \$667.5 million, including \$79.4 million from funds requested for travel.  | Cuts \$7.03 billion (in addition to the \$331.7 million depot maintenance cut and the \$807.4 million TRICARE cuts cited above)                 | Cuts \$9.45 billion (in addition to the \$332.3 million depot maintenance cut and the \$807.4 million TRICARE cuts cited above)                 |
| Army and Air Force spare and repair parts  | Cuts \$500.0 million because of excessive inventory.   | n/c   | Incorporates House funding reduction  |
| Defense Acquisition Workforce Development Fund   | Cuts \$224.0 million from the \$274.2 million requested on grounds that DOD representatives have said the requested amount would not be needed in FY2013.                    | Adds \$445.8 million to the request, approving \$720.0 million.   | Incorporates House funding reduction.   |

| Issue   | House-passed<br>H.R. 5856  | Senate<br>Committee-<br>reported<br>H.R. 5856  | Conference<br>Report<br>H.R. 933   |
|---|--|--|--|
| Medium Expanded Air Defense System (MEADS)  | Cuts \$400.9 million, the entire amount requested for this joint U.S.-Germany-Italy program to develop a mobile anti-missile defense for units in the field.                             | Cut's \$20.0 million, approving \$380.9 million either to fund the program's final year (as the Administration proposes) or to pay the termination liability for ending the program sooner | Incorporates Senate funding reduction.   |
| Rescissions   | Rescinds a total of \$1.60 billion appropriated in prior years for specific purposes making those funds available to reduce by the same amount the requirement for new budget authority. | Rescinds a total of \$3.81 billion appropriated in prior years for specific purposes making those funds available to reduce by the same amount the requirement for new budget authority.   | Rescinds a total of \$4.00 billion appropriated in prior years for specific purposes making those funds available to reduce by the same amount the requirement for new budget authority. This includes \$2.14 billion worth of rescissions in the base budget and \$1.86 billion worth of rescissions in the OCO budget. |
| Decommissioning the nuclear-powered aircraft carrier <i>Enterprise</i>                          | Cuts \$470.0 million of the \$940.0 million requested and requires the Navy to seek funding on a year-by-year basis.   | n/c  | Cuts \$70 million of the \$940 million requested.  |
| Afghan Security Forces Fund   | Cuts \$722.7 million of the \$5.75 billion requested on grounds that DOD has been slow in spending funds appropriated in earlier years.  | Cuts \$500.0 million of the \$5.75 billion requested on grounds that DOD has been slow in spending funds appropriated in earlier years.  | Cuts \$525.0 million of the \$5.75 billion request.  |
| Army Operation and Maintenance [O&M] funds for war operations (Overseas Contingency Operations) | Cuts \$2.00 billion cut from the Army O&M request on grounds that the budget request would have resulted in an unjustified increase in expenditures per troop                            | n/c  | Cuts \$500.0 million from the Army O&M request on grounds that the budget request would have resulted in an unjustified increase in expenditures per troop   |

**Source:** H.Rept. 112-493, House Committee on Appropriations, Subcommittee on Defense, Department of Defense Appropriations Act, 2013, report to accompany H.R. 5856; S.Rept. 112-196, Senate Committee on Appropriations, report to accompany H.R. 5856; Congressional Record, March 11, 2013, Explanatory Statement on H.R. 933, Division C, pp. S1316-S1546.

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

Following are additional highlights of H.R. 5856 as passed by the House and reported by the Senate Appropriations Committee.



## Military Personnel and Force Structure (Appropriations)<sup>39</sup>

H.R. 933 as enacted funds the 1.7% increase in “basic pay” for military personnel proposed by the Administration, as the versions of H.R. 5856 passed by the House and reported by the Senate Appropriations Committee would have done. That rate is based on the Labor Department’s Employment Cost Index (ECI), which is a survey-based estimate of the rate at which private-sector pay has increased.

### *Army, Marine Corps End-Strength Reductions*

The enacted bill, as well as the versions that had been passed by the House and reported by the Senate Appropriations Committee each accepted the Administration’s proposal to reduce the active-duty end-strength of the Army (reduced by 9,900) and Marine Corps (reduced by 4,800) during FY2013. In its report on the FY2013 defense bill, the House Appropriations Committee expressed concern that the Administration’s plan to reduce those two services by an additional 77,300 spaces by the end of FY2017 was based on budgetary pressures rather than military requirements.<sup>40</sup>

### *Navy Ship Retirements*

The enacted bill, like the version reported by the Senate committee, added to the budget request \$2.38 billion to continue manning, operating and modernizing as previously had been scheduled in FY2013 and FY2014 all seven of the Aegis cruisers and both of the amphibious landing ships the Administration had planned to retire during that time. The funds are in a newly created “Ship Modernization, Operations and Sustainment Fund” that would remain available through FY2014 (Section 8105 of H.R. 933).

The House bill would have added to the request only the funds needed to modernize and continue operating during FY2013 three of the four Aegis cruisers that would have been retired during that year under the administration’s plan. The House bill would have allowed the retirement of a fourth cruiser—USS *Port Royal*, which was severely damaged in 2009 when it grounded on a coral reef off Honolulu. The House bill would have added \$124.6 million for operation and maintenance of the three other cruisers and \$426.7 million to upgrade their equipment (including the purchase of five MH-60R helicopters).

### *Air Force Cuts Rejected*

The final version of the appropriations bill added to the Administration’s request nearly \$900 million dollars to sustain several flying squadrons that the budget would have disbanded and to continue acquiring and operating two types of aircraft that would have been disposed of under the budget request.

Like the House and Senate Armed Services Committees, the House and Senate Appropriations Committees both rejected a proposal to disband seven Air Force squadron and mothball or dispose of nearly 300 F-16s and A-10s operated by those units. In its report H.R. 5856, the House Appropriations Committee said the planned cutbacks would fall disproportionately on the Air Force Reserve and Air National Guard. Together, those two reserve components would absorb

<sup>39</sup> For congressional action on authorization related to military personnel and force structure, see “Military Personnel Issues (Authorization).”

<sup>40</sup> H.Rept. 112-493, p. 18.

85% of the planned reduction in airplanes and 60% of the planned manpower cuts, the committee said.

As enacted, H.R. 933 includes a provision (Sec. 8115) that prohibits both the proposed dissolution the squadrons and disposal of their aircraft. It also adds to the amount requested \$557.2 million to continue operating those squadrons and to fund the nearly 7,000 Air Force, Air Force Reserve and Air National Guard personnel assigned to them.

In its report to accompany H.R. 5856, the House Appropriations Committee had directed the Air Force to submit by October 1, 2012, a cost-benefit analysis of the proposed retirements and reorganizations that was to be reviewed by the Government Accountability Office (GAO). Conferees on H.R. 933 explicitly dropped the requirement, but said they expected that any future proposals to change the Air Force's force structure would be "transparently and comprehensively justified."

The final defense bill also adds to the request \$341.3 million to for the previously planned procurements of "Block 30" Global Hawk long-range surveillance drones and small cargo planes designated C-27s and to continue operating Block 30s and C-27s that already had been acquired. It also includes a provision (Sec. 8118) requiring the Air Force to spend funds appropriated in earlier budgets for Block 30s and C-27s.

### **Reduction in Personnel Transfers**

The enacted version of FY2013 DOD appropriations bill (H.R. 933) cut the \$2.94 billion requested by the four services for routine personnel transfers by 5% (\$146.8 million).<sup>41</sup> This amounted to half the reduction that would have been made by the version of the bill reported by the Senate Appropriations Committee (H.R. 5856), which would have cut transfer costs by 10% (\$293.6 million).

In its report on the defense bill, the Senate committee said DOD rotates an average of one-third of military personnel from one duty station to another in any year and that the average time between such reassignments is about two years. The Joint Explanatory Statement accompanying H.R. 933 directed the Under Secretary of Defense for Personnel and Readiness to report to Congress (within 180 days of enactment) on potential budget savings that could be realized by longer tours of duty at any one station as well as potential improvements in service members' job performance and in the quality of life for service members and their families.

### **Depot Maintenance 'Carryover'**

The enacted version of the FY2013 defense appropriations bill—like the versions passed by the House and reported by the Senate Appropriations Committee - cut the Administration's budget request in an effort to reduce what the committees described in their reports as an excessive backlog of scheduled maintenance work by the services' depots, which perform major overhauls of aircraft, ground vehicles, engines, electronic equipment and other major items. Essentially, the Appropriations Committees took the position that they would reduce the amount of additional funds appropriated for overhauls in FY2013 while the depots would keep working at their regular tempo performing work that had been paid for in prior budgets, thus drawing down the backlogs.

---

<sup>41</sup> This reduction would not affect the request for an additional \$1.39 billion for travel costs associated with moving personnel (1) from the point of their enlistment or commissioning to their first duty station or training school, (2) from a duty station to a training school, or (3) from the last duty station to the home of record when they leave the service.

The issue, which the GAO has been scrutinizing for years, is referred to as “excess carryover” and is described by a July 2008 GAO report on Army depots:

The five Army depots operate under the working capital fund concept, where customers are to be charged for the anticipated full cost of goods and services. To the extent that the depots do not complete work at [sic—apparently means “by”] year-end, the funded work will be carried into the next fiscal year. Carryover is the reported dollar value of work that has been ordered and funded (obligated) by customers but not completed by working capital fund activities at the end of the fiscal year. The congressional defense committees recognize that some carryover is needed to ensure a smooth flow of work during the transition from one fiscal year to the next. However, past congressional defense committee reports raised concerns that the level of carryover may be more than is needed. Excessive amounts of carryover financed with customer appropriations are subject to reductions by the Department of Defense (DOD) and the congressional defense committees during the budget review process.<sup>42</sup>

The House-passed version of H.R. 5856 would have cut a total of \$2.46 billion from the amounts requested for Army Operation and Maintenance (O&M) and for the Army’s Other Procurement accounts, explaining the action in a summary table as, “Excess Working Capital Fund Carryover.” Citing the same rationale, the Senate committee-reported version of the bill would have cut a total of \$331.7 million from the amounts requested for the O&M accounts of the four armed services. H.R. 933 as enacted cuts \$332.3 million from the O&M requests.

## TRICARE Fee Increases and Cost Savings<sup>43</sup>

### *Proposed TRICARE Fee Increases*

The Administration’s \$16.15 billion request for DOD’s TRICARE medical insurance program assumed certain increases in various fees paid by participants. While some of those proposed increases were allowed by current law, most of them would have required legislative changes, most of which were rejected by the House and Senate Armed Services Committees in drafting the enacted version of the FY2013 National Defense Authorization Act.

As reported by the House Appropriations Committee, H.R. 5856 incorporated the TRICARE cost savings that would result from the Administration’s proposed fee hikes. In its report on the bill, the House Committee said it would “continue to evaluate the proposed changes,” pending enactment of the companion defense authorization bill.

H.R. 933 as enacted—like the Senate Appropriations Committee-reported version of H.R. 5856—added to the budget request \$273.0 million to cover higher than budgeted costs expected to result from Congress’s rejection of some of the proposed TRICARE fee increases.

### *TRICARE Savings Assumed*

Following the lead of the Senate Appropriations Committee, the enacted version of H.R. 933 cuts \$807.4 million from the FY2013 TRICARE request, a reduction of 5% which—conferees said—should have no adverse impact on the program. Citing the Government Accountability Office (GAO) as its source, the Senate Committee said in its report on H.R. 5856 that the TRICARE program had “underexecuted” its budget (i.e., had spent less than was appropriated) by \$771.6

<sup>42</sup> U.S. Government Accountability Office, *Army Working Capital Fund: Actions Needed to Reduce Carryover at Army Depots*, GAO-08-714, July 2008, pp. 1-2.

<sup>43</sup> For additional background, see CRS Report RS22402, *Increases in Tricare Costs: Background and Options for Congress*, by Don J. Jansen.

million in FY2010 and by \$1.36 billion in FY2011, and that it was on track to spend \$1.04 billion less than had been appropriated for FY2012.

Similarly, the House-passed version of H.R. 5856 would have cut \$400.0 million from the TRICARE request on the assumption that this pattern of “historic underexecution” would continue in FY2013.

## Ground Combat Systems Appropriations<sup>44</sup>

Congressional action on appropriation of funds for selected ground combat systems is summarized in **Table A-4**. Following are some highlights.

### *Abrams Tank and Bradley Upgrades; Hercules tank recovery vehicles*

H.R. 933 as enacted incorporates \$383.0 million worth of House-passed additions to the amounts requested for three armored vehicle programs, as follows:

- The budget requested \$74.4 million for to support the fielding of M-1 tanks that had been upgraded to the so-called “M-1A2SEP” version, which incorporates improvements to the power train, communications gear, and night-vision equipment.<sup>45</sup> The final appropriations bill would add \$181.0 million to upgrade additional tanks.
- H.R. 933 would nearly double—to \$288.2 million, from \$148.2 million requested—funding to upgrade Bradley armored troop carriers with improved night vision equipment, digital communications gear, and power train modifications.
- The bill would add \$62.0 million to the \$107.9 million requested for M-88A2 Hercules tank recovery vehicles—tracked vehicles designed to tow to safety a disabled 70-ton Abrams tank.

### *Ground Combat Vehicle<sup>46</sup>*

The enacted version of the appropriations bill—like the House-passed and Senate committee-reported versions of H.R. 5856—would provide \$639.9 million, as requested, to continue development of the Army’s Ground Combat Vehicle (GCV), which is intended to replace the Bradley armored troop carrier.

In its report on H.R. 5856, the Senate Appropriations Committee had questioned the emphasis the Army was placing on the GCV, considered in the context of its overall spending plans for modernization of its armored combat vehicle fleet. Under current Army plans, the Senate committee said, the GCV would account for about 10% of the Army’s entire fleet of combat vehicles. In the FY2013 budget request, it accounts for more than 70% of the total amount requested for modernization of the ground combat fleet. Over the five-year period FY2013-FY2017, GCV would absorb more than 80% of the service’s projected spending on combat

<sup>44</sup> For congressional action on authorizations for ground combat systems, see “Ground Combat Equipment (Authorization).”

<sup>45</sup> The funds requested for FY2013 would pay for training, technical manuals, and other support costs associated with the deployment to Army units of tanks that had been upgraded with funds appropriated in prior fiscal years.

<sup>46</sup> For additional background, see CRS Report R41597, *The Army’s Ground Combat Vehicle (GCV) Program: Background and Issues for Congress*, by Andrew Feickert.

vehicle modernization. The committee directed the Army to provide to Congress the results of a business case analysis—currently underway—of its combat vehicle fleet modernization plans.<sup>47</sup>

## Naval Systems Appropriations<sup>48</sup>

In their respective reports on H.R. 5856, the Appropriations Committees of both the House and Senate decried the Administration's plan to reduce the number of warships projected for funding in FY2013-FY2017 compared with the Navy's previous five-year plan. Both committees warned that the projected reduction in shipbuilding would increase costs and weaken the nation's shipbuilding industrial base. The House committee also contended that the Administration's plan was inconsistent with its increased emphasis on U.S. military power in the Pacific region, where naval forces would play a particularly significant role.<sup>49</sup>

Congressional action on appropriation of funds for selected naval systems is summarized in **Table A-6**. Following are highlights.

### *Submarine and Destroyer Production*

Like the Armed Services Committees of the House and Senate, the House and Senate Appropriations Committee had objected to the Administration's plan to buy one *Virginia*-class attack submarine and one Aegis destroyer in FY2014, rather than two ships of each type, as had been planned. H.R. 933 as enacted—like the Senate committee-reported versions of H.R. 5856—adds nearly \$1.8 billion to the amount requested for Navy shipbuilding in FY2013 to support multi-year contracts to procure 10 submarines and 10 destroyers in FY2013 through FY2017, with the aim of achieving cost-cutting efficiencies.

Like the Senate committee version of H.R. 5856, H.R. 933 adds to the budget request:

- \$778 million for long lead-time funding to buy components that would allow the Navy to start work on two submarines rather than one in FY2014; and
- \$1.0 billion to fund a third destroyer in FY2013, in addition to the two ships requested.

The House-passed version of H.R. 5856 added \$723 million for the submarine components as well as \$1 billion for a third destroyer.

### *USS Miami Fire Damage Repair*

The final bill—like the Senate committee version of H.R. 5856—added to the amount requested \$150 million for the repair of the *Virginia*-class submarine USS *Miami*, damaged by fire on May 23, 2012, and undergoing an overhaul at the Portsmouth Naval Shipyard in Kittery, Maine. On August 22, 2012, the Navy announced that it plans to repair the ship, at an estimated cost of \$450.0 million, by April 30, 2015, after which the ship would be good for an additional 10 years of service.<sup>50</sup>

<sup>47</sup> S.Rept. 112-196, p. 176.

<sup>48</sup> For congressional action on authorization for naval systems, see "Naval Systems (Authorization)."

<sup>49</sup> H.Rept. 112-493 pp. 158-59; S.Rept. 112-196, pp. 125-27.

For additional background on Navy shipbuilding plans, see CRS Report RL32665, *Navy Force Structure and Shipbuilding Plans: Background and Issues for Congress*, by Ronald O'Rourke.

<sup>50</sup> Navy News Service, "Navy Provides Updated Cost Estimate for USS *Miami* Repair," August 22, 2012, [http://www.navy.mil/submit/display.asp?story\\_id=69153](http://www.navy.mil/submit/display.asp?story_id=69153).

The anticipated unit-cost of a new *Virginia*-class submarine in the FY2013 budget is \$2.55 billion.

### ***Amphibious Transport Dock (LPD-17)***

The enacted appropriation, like the Senate committee version of the bill, added \$263.3 million for long lead-time components that would allow funding in FY2014 of an LPD-17 class amphibious transport dock ship. In its report on the H.R. 5856, the Senate Appropriations Committee noted that the Navy has fewer amphibious landing transports than current DOD plans call for and that the number of such ships is slated to decline further.

## **Aircraft Appropriations<sup>51</sup>**

Congressional action on appropriation of funds for selected aircraft and long-range strike programs is summarized in **Table A-10**. Following are some highlights:

### ***F-35 Joint Strike Fighter***

H.R. 933 appropriates \$8.29 billion—95% of the amount requested—to continue development and production of the F-35 Joint Strike Fighter. Several reductions totaling \$404.0 million reflected what the House and Senate conferees described as funding requests that were premature or that incorporated unjustified price increases. The House-passed and Senate committee-reported versions of H.R. 5856 each would have made generally similar reductions.

The final bill would provide \$5.59 billion to buy a total of 29 F-35s of three types: a carrier-based version for the Navy, a short-takeoff version for the Marine Corps, and a conventional, land-based version for the Air Force. It also would provide \$2.68 billion to continue development of the plane.

### ***F-22 Oxygen System***

The enacted bill would add \$21.5 million to the amount requested for modifications to the Air Force's F-22 fighters, with the additional funds intended to install a backup oxygen supply for the pilots in each aircraft. The Air Force has been investigating complaints by some F-22 pilots that they have experienced symptoms similar to those caused by hypoxia (oxygen deprivation).

On August 1, 2012, an Air Force official said that a faulty pressurization program in the F-22's oxygen system was responsible for hypoxia-like symptoms its pilots were suffering. The faulty pressurization programming caused a pressurized vest—designed to protect pilots' lungs in case of rapid decompression—to inflate, restricting the pilots' ability to breathe, Maj. Gen. Charles Lyons USAF, told reporters.<sup>52</sup>

### ***C-130 Cargo Planes***

Instead of the 7 C-130 cargo planes requested in the FY2013 budget (most of which would be equipped for specialized missions such as mid-air refueling and search-and-rescue), the enacted defense bill would provide 14 of the planes plus a down-payment on 18 additional C-130 to be funded in future fiscal years. For procurement of new C-130s (of various types) and

<sup>51</sup> For congressional action on authorization for aviation systems, see "Aircraft and Long-Range Strike Systems (Authorization)."

<sup>52</sup> DOD News Transcript, Maj. Gen. Charles Lyons USAF, Director of Operations, Air Combat Command, August 1, 2012, <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=5094>.



modifications to existing planes, the budget requested \$1.12 billion and H.R. 933 provides \$1.73 billion.

The enacted bill also adds a total of \$20.0 million to the Air Force's procurement and R&D accounts to continue the C-130 Avionics Modernization Program (AMP), a project to upgrade the cockpit electronics of older planes. The Administration's budget would have scrapped the program.

## Missile Defense Appropriations<sup>53</sup>

The enacted version of H.R. 933 appropriates \$8.30 billion for programs of the Missile Defense Agency, an increase of 6.6% above the \$7.79 billion request. The largest single component of the net increase is the House committee's addition of \$280.0 million for four Israeli missile defense systems, which includes \$211.0 million for the Iron Dome system designed to intercept short-range rockets and artillery shells. Another component of the net increase for MDA in the bill is the addition of \$75.0 million to the \$903.2 million requested for the Ground-Based Missile Defense (GMD) system currently deployed at sites in Alaska and Hawaii.

Congressional action on appropriation of funds for selected missile defense programs is summarized in **Table A-2**.

### *Medium Extended Air Defense System (MEADS)*

Following the lead of the Senate Appropriations Committee, the enacted bill appropriates \$380.9 million for the Medium Extended Air Defense System (MEADS), a joint U.S.-German-Italian effort to develop a mobile air and missile defense system that incorporates the Patriot PAC-3 missile, which is designed to protect combat units in the field.

Plans to deploy MEADS have been shelved, but the three partner countries are continuing work on the system in hopes of developing components and technologies that could be used in other systems. The Administration maintains that, under the tripartite Memorandum of Understanding governing the program, the United States would incur significant cash penalties if it unilaterally pulled out of the program. The House-passed version of the appropriations bill would have denied the entire \$400.9 million requested for MEADS in the FY2013 budget.

The FY2013 National Defense Authorization Act (H.R. 4310; P.L. 112-235) had authorized no funds for MEADS and included a provision (Section 221) prohibiting the use of funds for the program. However, DOD holds that the funds appropriated for MEADS by H.R. 933 can be used for that purpose since, by the usual rule of legislative construction, any particular piece of legislation can be superseded by subsequent legislation.

H.R. 933 allows DOD to use the fund appropriated either to complete the MEADS development program or to pay the fee the U.S. government would incur through termination. In its report on H.R. 5856, the Senate Appropriations Committee said the costs would be about the same in either case.

## OCO Funding: Afghanistan and Related Activities

As enacted, H.R. 933 would provide \$86.95 billion for Overseas Contingency Operations (OCO)—basically, operations in Afghanistan and Iraq and supporting activities—which is \$1.26 billion less than was requested. The House-passed version of H.R. 5856 would have provided \$87.11

<sup>53</sup> For congressional action on authorization for ballistic missile defense programs, see "Ballistic Missile Defense (Authorization)."



billion for OCO costs, while the Senate committee-reported version of that bill would have provided \$93.03 billion. Following are OCO funding highlights in the FY2013 DOD Appropriations Bill.

**Table 18. OCO Funding Highlights in FY2013 DOD Appropriations Bill (H.R. 5856, H.R. 933)**

| Issue  | House-passed H.R. 5856   | Senate Committee-reported H.R. 5856   | Disposition in Conf. Rept. (H.R. 933)   |
|--|--|---|---|
| Funds requested in the Base Budget, funded in Title IX (OCO funds), which is currently exempt from budget caps | Transfer \$3.54 billion total to Title IX  | Transfer \$6.55 billion to Title IX   | Transfer \$1.62 billion total to Title IX.  |
| \$5.75 billion requested for Afghan Security Forces Fund   | Cut \$723 million  | Cut \$600 million   | Cut \$625 million   |
| \$400 million requested for Commanders Emergency Response Program (CERP)                                       | Cut \$200 million  | Cut \$200 million   | Cut \$200 million   |
| Rescissions of OCO funds provided by prior appropriations  | Cut \$580 million including \$500 million appropriated in FY2012 for the Afghan Security Forces Fund | Cut \$1.71 billion including \$1.0 billion appropriated in FY2012 for the Afghan Security Forces Fund | Cut \$1.86 billion including \$1.0 billion appropriated in FY2012 for the Afghan Security Forces Fund |
| \$1.75 billion requested for Coalition Support Fund, of which \$1.3 billion was intended for Pakistan          | Floor amendment cut \$650 million from the \$1.3 billion intended for Pakistan                       | n/c   | Cut \$100 million of \$1.3 billion requested for Pakistan   |
| Additional ship deployments to Central Command region  | n/c  | Add \$293 million   | Add \$274 million   |

**Source:** H.Rept. 112-493; S.Rept. 112-196.

**Note:** The notation n/c (no change) signifies that no provision of the bill would block or alter the proposed policy.

### *Aid to Pakistan*

As enacted, H.R. 933 would provide \$1.20 billion of the \$1.30 billion requested for payments to Pakistan from DOD's Coalition Support Fund. The payments from the fund—for which the Administration requested \$1.75 billion in FY2013—are intended to reimburse Pakistan, Jordan and other U.S. coalition partners for expenses they incur from supporting U.S. military operations in Afghanistan and Iraq.

As reported by the House Appropriations Committee, H.R. 5856 would have provided the \$1.75 billion requested for CSF. However, Section 9015 of that bill would have barred any payments from the fund to Pakistan unless the Secretaries of Defense and State certify that the government of Pakistan is cooperating with U.S. policy in certain respects, including supporting counterterrorism operations against al Qaeda and certain other groups with bases in Pakistan.

An amendment adopted during House debate on H.R. 5856 cut \$650 million from the CSF request, with the intent of cutting Pakistan's payment by 50% to \$650 million. (See H.Amdt. 1412, **Table 19**.)

The final version of the bill restores \$550 million of the House cut and retains the House restriction on aid to Pakistan but would allow the Administration to waive that requirement on national security grounds (Section 9014).

### *Detainee Issues*

The enacted version of H.R. 933 contained three provisions, substantially the same as provisions of previous defense appropriations bills and provisions in the House-passed and Senate committee-reported versions of H.R. 5856, that restrict the transfer to any other location of detainees held at the U.S. facility at Guantanamo Bay, Cuba who are neither U.S. citizens nor members of the U.S. Armed Forces. Three provisions of H.R. 933 are

- Section 8109, which would prohibit the transfer to (or release within) U.S. territory of any such detainee;
- Section 8110, which would prohibit the transfer to any other country of any such detainee except to a country where the host government would likely retain the detainee in custody and render him unable to threaten U.S. interests; and
- Section 811, which would prohibit the use of any funds to build, acquire, or modify any facility in U.S. territory to house Guantanamo detainees.

## House Floor Amendments

Following are selected amendments on which the House took action during consideration of H.R. 5856.

**Table 19. Selected House Floor Amendments to FY2013  
DOD Appropriations Act (H.R. 5856)**

| Principal Sponsor                         | House Amend. Number <sup>a</sup> | Summary <sup>b</sup>   | Disposition in House | Disposition in Conf. Rept. |
|---|----------------------------------|--|----------------------|----------------------------|
| <b>Overall Budget Reduction Proposals</b> |                                  |  |                      |                            |
| Woolsey                                   | 1404                             | <b>Cut \$181 million</b> from the DOD total, which is the amount by which the House-passed Transportation Department Appropriation Bill (H.R. 5972) would reduce funding for the Federal Transit Administration.                 | Rejected voice vote  | n/a                        |
| Woolsey                                   | 1406                             | <b>Cut \$294 million</b> from the DOD total, which is the amount by which the Labor-HHS Appropriations bill drafted by a House Appropriations subcommittee would reduce funding for Title X Family Planning programs.            | Rejected 106-311     | n/a                        |
| Woolsey                                   | 1411                             | <b>Cut \$1.7 billion</b> from the DOD total, an amount equal to the annual budget for the Social Services Block Grant Program, which the House Ways and Means committee voted to eliminate as part of the FY2013 budget process. | Rejected 91-328      | n/a                        |

| Principal Sponsor  | House Amend. Number <sup>a</sup> | Summary <sup>b</sup>   | Disposition in House | Disposition in Conf. Rept. |
|--|----------------------------------|--|----------------------|----------------------------|
| Lee  | 1419                             | <b>Cut \$19.2 billion</b> from the DOD total, reducing it to the amount appropriated for DOD in FY2008.  | Rejected 87-326      | n/a                        |
| Lee  | 1421                             | <b>Cut \$7.58 billion</b> from the DOD total, thus reducing DOD appropriations as required by the 2011 Budget Control Act.                                   | Rejected 171-243     | n/a                        |
| Mulvaney   | 1431                             | <b>Cut \$1.07 billion</b> , from the DOD total, thus freezing DOD appropriations at the FY2012 level (except for personnel, health care, and war costs).     | Agreed to 247-167    | n/a                        |
| <b>Specific Budget Cuts</b>  |                                  |  |                      |                            |
| McCollum   | 1378                             | Cut \$188 million to reduce spending on <b>military bands</b> .  | Rejected 166-250     | n/a                        |
| Kingston   | 1380                             | Cut \$27 million to eliminate recruiting advertising on <b>NASCAR racers</b> .   | Rejected 202-216     | n/a                        |
| Quigley  | 1391                             | Cut \$988 million to eliminate an <b>Aegis destroyer</b> the bill would add to the budget.   | Rejected 60-359      | n/a                        |
| Cohen  | 1392                             | Cut \$507 million the bill would add to retain for <b>Aegis cruisers the Administration would retire</b> ; Add \$235 million for additional Cancer research. | Rejected 145-273     | n/a                        |
| Pompeo   | 1393                             | Cut \$250 million to eliminate the <b>Rapid Innovation Fund</b> .  | Rejected 137-282     | n/a                        |
| <b>Medical R&amp;D Reallocations (within the total provided by the bill)</b> |                                  |  |                      |                            |
| Kucinich   | 1383                             | Shift \$10 million to research on treatment of <b>Gulf War Syndrome</b> .  | Agreed voice vote    | included                   |
| Langevin   | 1386                             | Shift \$15 million to research on <b>spinal cord injury</b>  | Agreed voice vote    | included                   |
| Session  | 1387                             | Shift \$10 million to research on <b>Traumatic Brain Injury and Post-Traumatic Stress Disorder</b>   | Agreed voice vote    | included                   |
| Walz   | 1388                             | Shift \$10 million to research on <b>vision and eye disorders</b>  | Agreed voice vote    | adds \$5 million           |
| Boswell  | 1402                             | Shift \$10 million to <b>suicide prevention</b> efforts  | Agreed voice vote    | included                   |
| <b>Reductions to Afghanistan-related Costs</b>                               |                                  |  |                      |                            |
| Jones  | 1397                             | Cut \$412 million from <b>incentive pay</b> for Afghan Security Forces and add \$149 million for incentive pay for U.S. personnel.                           | Agreed voice vote    | dropped                    |
| Ciciline   | 1400                             | Cut \$375 million from the <b>Afghan Infrastructure Fund</b> (thus eliminating the fund).  | Rejected 149-270     | n/a                        |
| Cohen  | 1401                             | Cut \$175 million from the <b>Afghan Infrastructure Fund</b> .   | Agreed 228-191       | Cut \$75 million           |
| Poe  | 1412                             | Cut \$650 million from <b>Coalition Support Funds</b> (thus cutting by 50% the projected aid to Pakistan).   | Agreed voice vote    | Cut \$100 million          |

| Principal Sponsor                               | House Amend. Number <sup>a</sup> | Summary <sup>b</sup>  | Disposition in House | Disposition in Conf. Rept. |
|---|----------------------------------|---|----------------------|----------------------------|
| Lee   | 1414                             | Cut \$20.8 billion from the request for Overseas Contingency Operation (OCO) costs, with the aim of requiring <b>withdrawal of U.S. forces</b> from Afghanistan.                        | Rejected 107-312     | n/a                        |
| Garamendi                                       | 1430                             | Cut \$20.8 billion from the request for Overseas Contingency Operation (OCO) costs, with the aim of requiring a <b>continuing drawdown of U.S. forces</b> in Afghanistan during FY2014. | Rejected 137-278     | n/a                        |
| <b>Strategic Nuclear Weapons-related Issues</b> |                                  |   |                      |                            |
| Markey  | 1394                             | Cut \$75 million the bill would add to the budget for <b>Ground-Based Missile Defense</b> .   | Rejected 150-268     | n/a                        |
| Markey  | 1405                             | Prohibit the use of funds to deploy more than <b>300 ICBMs</b> .  | Rejected 136-283     | n/a                        |
| Turner  | 1424                             | Prohibit the use of funds to make certain <b>reductions in nuclear weapons</b> .  | Agreed 235-178       | dropped                    |
| Berg  | 1427                             | Prohibit any <b>reduction in the number of certain types of nuclear weapons delivery vehicles</b> .   | Agreed 233-183       | dropped                    |
| <b>Other Issues</b>                             |                                  |   |                      |                            |
| Amash   | 1395                             | Remove Section 8039 (which restricts the <b>contracting-out</b> to private firms of functions performed by federal employees).  | Rejected 186-233     | n/a                        |
| King  | 1415                             | Exempt military construction projects from the <b>Davis-Bacon Act</b> .   | Rejected 82-235      | n/a                        |
| King  | 1416                             | Prohibit the use of funds to violate the <b>Defense of Marriage Act</b> .   | Agreed 247-166       | dropped                    |
| Coffman   | 1426                             | Mandate by law the Administration's decision to withdraw two Army <b>brigade combat teams from Europe</b> .   | Rejected 123-292     | n/a                        |
| Stearns   | 1435                             | Prohibit the introduction of an enrollment fee for <b>TRICARE-for-Life</b> .  | Agreed 399-17        | Section 8128               |

- a. "House Amendment Number" is the number assigned to an amendment by the House Clerk, by which amendments can be traced through the CRS Legislative Information System (LIS).
- b. In many cases, the proposed amendment would add or cut a specific amount to an appropriations account without specifying the intended purpose. In those cases, the intent of the amendment is determined by the proponents' statements during debate on the proposal. The cost estimates implicit in these amendment summaries reflect the assertions of the amendment sponsors and have not been verified by CRS.

## Senate Floor Amendments

**Table 20** summarizes selected amendments on which the Senate took action during consideration of H.R. 933.

**Table 20. Selected Senate Floor Amendments to FY2013 DOD Appropriations Act (H.R. 933)**

| Principal Sponsor | Senate Amend. Number <sup>a</sup> | Summary <sup>b</sup>   | Disposition  |
|-------------------|-----------------------------------|--|--|
| McCain            | 26                                | Strike Sections 8039 and 8104 of the bill as reported, thus eliminating the provision of \$140 million for civilian support facilities on Guam | motion to Table rejected 48-50; agreed to voice vote |
| Inhofe            | 72                                | Require the services to continue funding the existing Tuition Assistance program for military personnel  | agreed to voice vote                                 |
| Toomey            | 115                               | Cut \$60 million for development of biofuels and add \$25 million for operations and maintenance   | rejected 40-59                                       |

- a. "Senate Amendment Number" is the number assigned to an amendment by the Senate Clerk, by which amendments can be traced through the CRS Legislative Information System (LIS).
- b. In many cases, the proposed amendment would add or cut a specific amount to an appropriations account without specifying the intended purpose. In those cases, the intent of the amendment is determined by the proponents' statements during debate on the proposal. The cost estimates implicit in these amendment summaries reflect the assertions of the amendment sponsors and have not been verified by CRS.

## Appendix A. Selected Program Funding Tables

**Table A-1. Congressional Action on Selected FY2013 Missile Defense Funding Authorization**

(amounts in thousands of dollars)

| PE Number<br>(for R&D<br>projects<br>only) | Program Element<br>Title   | FY2013<br>Administration<br>Request | House- Passed<br>Authorization | Senate<br>Committee-<br>Reported<br>Authorization | Conference<br>Report | Comments   |
|--|--|-------------------------------------|--------------------------------|---|----------------------|--|
| 0603175C                                   | BMD Technology   | 79,975                              | 79,975                         | 79,975  | 79,975               |  |
| 0603274C                                   | Special Programs   | 36,685                              | 36,685                         | 36,685  | 36,685               |  |
| 0603881C                                   | BMD Terminal<br>Defense Segment  | 316,929                             | 316,929                        | 316,929   | 316,929              |  |
| 0603882C                                   | BMD Midcourse<br>Defense Segment                                       | 903,172                             | 1,363,172                      | 903,172   | 978,172              | System based in Alaska and California to defend U.S. territory; House would have added \$103 million to add a launch site on the East Coast plus \$357 million to otherwise expand the program |
| 0603884C                                   | BMD Sensors  | 347,012                             | 347,012                        | 347,012   | 347,012              |  |
| 0603890C                                   | BMD Enabling<br>Programs   | 362,711                             | 362,711                        | 362,711   | 362,711              |  |
| 0603891C                                   | Special Programs   | 272,387                             | 272,387                        | 272,387   | 272,387              |  |
| 0603892C                                   | AEGIS BMD  | 992,407                             | 992,407                        | 992,407   | 992,407              |  |
| 0603893C                                   | Space Tracking &<br>Surveillance System                                | 51,313                              | 51,313                         | 51,313  | 51,313               |  |
| 0603895C                                   | BMD System Space<br>Programs   | 6,912                               | 6,912                          | 6,912   | 6,912                |  |
| 0603896C                                   | BMD Command and<br>Control, Battle<br>Management and<br>Communications | 366,552                             | 366,552                        | 366,552   | 366,552              |  |
| 0603898C                                   | BMD Joint Warfighter<br>Support  | 55,550                              | 55,550                         | 55,550  | 55,550               |  |

| PE Number<br>(for R&D<br>projects<br>only) | Program Element<br>Title   | FY2013<br>Administration<br>Request | House- Passed<br>Authorization | Senate<br>Committee-<br>Reported<br>Authorization | Conference<br>Report | Comments  |
|--|--|-------------------------------------|--------------------------------|---|----------------------|---|
| 0603901C                                   | Directed Energy<br>Research                                      | 46,944                              | 76,944                         | 46,944  | 41,944               | House would have added funds to<br>accelerate work on anti-missile lasers |
| 0603902C                                   | Aegis SM-3 Block IIB   | 224,077                             | 224,077                        | 224,077   | 224,077              |   |
| 0603904C                                   | Missile Defense<br>Integration &<br>Operations Center<br>(MDIOC) | 63,043                              | 63,043                         | 63,043  | 63,043               |   |
| 0603906C                                   | Regarding Trench   | 11,371                              | 11,371                         | 11,371  | 11,371               |   |
| 0603907C                                   | Sea-Based X-Band<br>Radar (SBX)                                  | 9,730                               | 9,730                          | 9,730   | 9,730                |   |
| 0603913C                                   | Israeli Cooperative<br>Programs                                  | 99,836                              | 267,836                        | 199,836   | 168,000              | House addition would have authorized<br>funds for FY2012-FY2015           |
|  | Iron Dome  | 0.0                                 | 680,000                        | 210,000   | 211,000              |   |
| 0603914C                                   | BMD Tests  | 454,400                             | 454,400                        | 454,400   | 454,400              |   |
| 0603915C                                   | BMD Targets  | 435,747                             | 435,747                        | 435,747   | 435,747              |   |
| 0604880C                                   | Land-based SM-3  | 276,338                             | 276,338                        | 276,338   | 276,338              |   |
| 0604881C                                   | Aegis SM-3 Block IIA<br>Co-Development                           | 420,630                             | 420,630                        | 420,630   | 420,630              |   |
| 0604883C                                   | Precision Tracking<br>Space System (PTSS)                        | 297,375                             | 50,000                         | 297,375   | 242,375              |   |
| 0604886C                                   | Advanced Remote<br>Sensor Technology                             | 58,742                              | 58,742                         | 58,742  | 33,742               |   |
| 0901598C                                   | Management HQ-<br>MDA  | 34,855                              | 34,855                         | 34,855  | 34,855               |   |
| <b>Subtotal, MDA RDT&amp;E,</b>            |  | <b>6,224,693</b>                    | <b>7,315,318</b>               | <b>6,534,693</b>                                  | <b>6,493,657</b>     |   |
| THAAD, Fielding                            |  | 460,728                             | 587,728                        | 560,728   | 460,728              |   |
| Aegis BMD                                  |  | 389,626                             | 389,626                        | 389,626   | 389,626              |   |



| <b>PE Number<br/>(for R&amp;D<br/>projects<br/>only)</b> | <b>Program Element<br/>Title</b>             | <b>FY2013<br/>Administration<br/>Request</b> | <b>House- Passed<br/>Authorization</b> | <b>Senate<br/>Committee-<br/>Reported<br/>Authorization</b> | <b>Conference<br/>Report</b> | <b>Comments</b>   |
|--|--|--|--|---|------------------------------|---|
|  | AN/TPY-2 radar                               | 217,244                                      | 387,244                                | 217,244   | 380,244                      | One radar requested; increase would fund two  |
|  | <b>Subtotal, MDA Procurement</b>             | <b>1,067,598</b>                             | <b>1,364,598</b>                       | <b>1,167,598</b>  | <b>1,230,598</b>             |   |
|  | THAAD, O&M                                   | 55,679                                       | 55,679                                 | 55,679  | 55,679                       |   |
|  | Aegis BMD O&M                                | 12,163                                       | 12,163                                 | 12,163  | 12,163                       |   |
|  | Ballistic Missile Defense Radars. O&M        | 192,133                                      | 192,133                                | 192,133   | 192,133                      |   |
|  | <b>Subtotal, MDA, O&amp;M</b>                | <b>259,975</b>                               | <b>259,975</b>                         | <b>259,975</b>  | <b>259,975</b>               |   |
|  | Aegis Ashore Site, Romania                   | 157,900                                      | 82,900                                 | 157,900   | 120,000                      |   |
|  | Midcourse Defense Data Link, Fort Drum, N.Y. | 25,900                                       | 25,900                                 | 25,900  | 25,900                       |   |
|  | Planning & Design                            | 4,548  | 4,548                                  | 4,548   | 4,548                        |   |
|  | <b>Subtotal, MDA, Military Construction</b>  | <b>188,348</b>                               | <b>113,348</b>                         | <b>188,348</b>  | <b>150,448</b>               |   |
|  | <b>Total, Missile Defense Agency</b>         | <b>7,740,614</b>                             | <b>9,053,239</b>                       | <b>8,150,614</b>  | <b>8,134,678</b>             |   |
| 0604869A   | Medium Extended Air Defense System (MEADS)   | 400,861                                      | 0.0                                    | 0.0   | 0.0                          | Conference report includes a prohibition on use of funds for this program; this was superceded by subsequent appropriation of \$380.86 million in H.R. 933. |
| 0102419A   | Aerostat Joint Project Office                | 190,422                                      | 171,422                                | 190,422   | 159,922                      |   |
|  | <b>Selected Army R&amp;D missile defense</b> | <b>591,283</b>                               | <b>171,422</b>                         | <b>190,422</b>  | <b>159,922</b>               |   |
|  | Patriot Missile (PAC-3) procurement          | 646,590                                      | 696,590                                | 646,590   | 696,590                      |   |
|  | <b>Total, Selected Army Missile Defense</b>  | <b>1,237,873</b>                             | <b>868,012</b>                         | <b>837,012</b>  | <b>856,512</b>               |   |
|  | <b>Grand Total, Missile Defense</b>          | <b>8,978,487</b>                             | <b>9,921,251</b>                       | <b>8,987,626</b>  | <b>8,991,190</b>             |   |

**Table A-2. Congressional Action on Selected FY2013 Missile Defense Funding Appropriation**

(amounts in thousands of dollars)

| PE Number<br>(for R&D<br>projects only) | Program Element<br>Title   | FY2013<br>Administration<br>Request | House- Passed<br>Appropriation | Senate<br>Committee-<br>Reported<br>Appropriation | Conference<br>Report | Comments  |
|---|--|-------------------------------------|--------------------------------|---|----------------------|---|
| 0603175C                                | BMD Technology   | 79,975                              | 75,975                         | 79,975  | 75,975               |   |
| 0603274C                                | Special Programs   | 36,685                              | 36,685                         | 36,685  | 36,685               |   |
| 0603881C                                | BMD Terminal<br>Defense Segment  | 316,929                             | 296,929                        | 316,929   | 301,929              |   |
| 0603882C                                | BMD Midcourse<br>Defense Segment                                       | 903,172                             | 978,172                        | 903,172   | 978,172              |   |
| 0603884C                                | BMD Sensors  | 347,012                             | 347,012                        | 347,012   | 347,012              |   |
| 0603890C                                | BMD Enabling<br>Programs   | 362,711                             | 362,711                        | 362,711   | 362,711              |   |
| 0603891C                                | Special Programs   | 272,387                             | 272,387                        | 258,787   | 262,387              |   |
| 0603892C                                | AEGIS BMD  | 992,407                             | 992,407                        | 992,407   | 992,407              |   |
| 0603893C                                | Space Surveillance &<br>Tracking System                                | 51,313                              | 51,313                         | 51,313  | 51,313               |   |
| 0603895C                                | BMD System Space<br>Programs   | 6,912                               | 6,912                          | 6,912   | 6,912                |   |
| 0603896C                                | BMD Command and<br>Control, Battle<br>Management and<br>Communications | 366,552                             | 341,552                        | 366,552   | 360,552              |   |
| 0603898C                                | BMD Joint Warfighter<br>Support  | 55,550                              | 55,550                         | 55,550  | 55,550               |   |
| 0603901C                                | Directed Energy<br>Research  | 46,944                              | 41,944                         | 2,384   | 22,944               | Senate committee questioned operational<br>relevance of the program |
| 0603902C                                | Aegis SM-3 Block IIB   | 224,077                             | 204,077                        | 54,877  | 61,377               | Shifts \$50 million to SM-3 Block IIA<br>program (PE 0604881C)      |

| PE Number<br>(for R&D<br>projects only) | Program Element<br>Title   | FY2013<br>Administration<br>Request | House- Passed<br>Appropriation | Senate<br>Committee-<br>Reported<br>Appropriation | Conference<br>Report | Comments   |
|---|--|-------------------------------------|--------------------------------|---|----------------------|--|
| 0603904C                                | Missile Defense<br>Integration &<br>Operations Center<br>(MDIOC) | 63,043                              | 63,043                         | 63,043  | 63,043               |  |
| 0603906C                                | Regarding Trench   | 11,371                              | 11,371                         | 11,371  | 11,371               |  |
| 0603907C                                | Sea-Based X-Band<br>Radar (SBX)                                  | 9,730                               | 9,730                          | 29,703  | 27,703               |  |
| 0603913C                                | Israeli Cooperative<br>Programs                                  | 99,836                              | 268,736                        | 268,736   | 268,736              |  |
|   | Iron Dome  | 0.0                                 | 680,000                        | 211,000   | 211,000              | Senate committee and final version of the<br>bill funded Iron Dome in procurement<br>account, not R&D. |
| 0603914C                                | BMD Tests  | 454,400                             | 454,400                        | 454,400   | 454,400              |  |
| 0603915C                                | BMD Targets  | 435,747                             | 435,747                        | 435,747   | 435,747              |  |
| 0604880C                                | Land-based SM-3  | 276,338                             | 266,338                        | 276,338   | 276,338              |  |
| 0604881C                                | Aegis SM-3 Block IIA<br>Co-Development                           | 420,630                             | 420,630                        | 470,630   | 470,630              |  |
| 0604883C                                | Precision Tracking<br>Space System (PTSS)                        | 297,375                             | 242,375                        | 297,375   | 242,375              |  |
| 0604886C                                | Advanced Remote<br>Sensor Technology                             | 58,742                              | 33,742                         | 2,982   | 18,742               |  |
| 0901598C                                | Management HQ-<br>MDA  | 34,855                              | 34,855                         | 34,855  | 34,855               |  |
| <b>Subtotal, MDA RDT&amp;E,</b>         |  | <b>6,224,693</b>                    | <b>6,984,593</b>               | <b>6,391,446</b>                                  | <b>6,430,866</b>     |  |
|   | THAAD, Fielding  | 460,728                             | 460,728                        | 460,728   | 460,728              |  |
|   | Aegis BMD  | 389,626                             | 389,626                        | 578,626   | 578,626              |  |
|   | AN/TPY-2 radar   | 217,244                             | 217,244                        | 380,244   | 380,244              | Request would fund one radar.<br>Conference report would purchase two.                                 |
| <b>Subtotal, MDA Procurement</b>        |  | <b>1,067,598</b>                    | <b>1,067,598</b>               | <b>1,419,598</b>                                  | <b>1,419,598</b>     |  |

| PE Number<br>(for R&D<br>projects only)         | Program Element<br>Title                         | FY2013<br>Administration<br>Request | House- Passed<br>Appropriation | Senate<br>Committee-<br>Reported<br>Appropriation | Conference<br>Report | Comments   |
|---|--|-------------------------------------|--------------------------------|---|----------------------|--|
| THAAD, O&M                                      |  | 55,679                              | 55,679                         | 49,679  | 49,679               |  |
| Aegis BMD O&M                                   |  | 12,163                              | 12,163                         | 12,163  | 12,163               |  |
| Ballistic Missile Defense Radars. O&M           |  | 192,133                             | 192,133                        | 192,133   | 192,133              |  |
| <b>Subtotal, MDA, O&amp;M</b>                   |  | <b>259,975</b>                      | <b>259,975</b>                 | <b>253,975</b>                                    | <b>253,975</b>       |  |
| Aegis Ashore Site, Romania                      |  | 203,105                             | 128,105                        | 203,105   | 165,205              |  |
| Midcourse Defense Data Link, Fort<br>Drum, N.Y. |  | 25,900                              | 25,900                         | 25,900  | 25,900               | <b>MDA Military Construction Projects<br/>are funded in Division E of H.R. 933,<br/>the FY2013 Military Construction,<br/>Veterans Affairs and Related<br/>Agencies Appropriations Bill.</b>   |
| Planning & Design                               |  | 4,548                               | 4,548                          | 4,548   | 4,548                |  |
| <b>Subtotal, MDA, Military<br/>Construction</b> |  | <b>233,553</b>                      | <b>158,533</b>                 | <b>233,553</b>                                    | <b>195,653</b>       |  |
| <b>Total, Missile Defense Agency</b>            |  | <b>7,785,819</b>                    | <b>8,470,699</b>               | <b>8,298,572</b>                                  | <b>8,300,092</b>     |  |
| 0604869A  | Medium Extended Air<br>Defense System<br>(MEADS) | 400,861                             | 0.0                            | 380,861   | 380,861              |  |
| 0102419A  | Aerostat Joint Project<br>Office                 | 190,422                             | 190,422                        | 159,922   | 159,922              |  |
| <b>Selected Army R&amp;D missile defense</b>    |  | <b>591,283</b>                      | <b>190,422</b>                 | <b>540,783</b>                                    | <b>540,783</b>       |  |
| Patriot Missile (PAC-3) procurement             |  | 646,590                             | 946,590                        | 840,590   | 946,590              | The budget request was to procure 84<br>interceptor missiles and associated<br>equipment. No purpose was specified for<br>the additional \$300 million provided by<br>the House bill and the conference report.<br>The Senate committee would have<br>increased to 134 the number of<br>interceptors procured. |
| <b>Total, Selected Army Missile<br/>Defense</b> |  | <b>1,237,873</b>                    | <b>1,137,012</b>               | <b>1,381,373</b>                                  | <b>1,487,373</b>     |  |
| <b>Grand Total, Missile Defense</b>             |  | <b>9,023,692</b>                    | <b>9,607,711</b>               | <b>9,679,945</b>                                  | <b>9,787,465</b>     |  |

**Table A-3. Congressional Action on Selected FY2013 Army Ground Combat Programs: Authorization**

(amounts in thousands of dollars)

|                               | FY2013 Request |         |         | House-passed Authorization |         |         | Senate Committee-reported Authorization |         |         | Authorization Conference report |         |         |   |
|-------------------------------|----------------|---------|---------|----------------------------|---------|---------|---|---------|---------|---------------------------------|---------|---------|---|
|                               | Procurement    |         | R&D     | Procurement                |         | R&D     | Procurement                             |         | R&D     | Procurement                     |         | R&D     |   |
|                               | #              | \$      | \$      | #                          | \$      | \$      | #                                       | \$      | \$      | #                               | \$      | \$      |   |
| M-2 Bradley Mods              |                | 148,193 | 97,279  |                            | 288,193 | 97,279  |   | 148,193 | 97,279  |                                 | 288,193 | 97,279  | Request assumed shutdown from 2014 to 2016 of Pennsylvania plant that upgrades early-model Bradleys with improved electronics and engines. House bill and conference report continue the upgrade program. |
| M-1 Abrams tank Mods          |                | 129,090 |         |                            | 129,090 |         |   | 129,090 |         |                                 | 129,090 |         |   |
| M-1 Abrams tank Upgrade       |                | 74,433  | 82,586  |                            | 255,433 | 82,586  |   | 165,433 | 82,586  |                                 | 210,433 | 82,596  | Request assumed shutdown from 2014 to 2016 of Ohio plant that upgrades early-model M-1s with improved electronics, armor and engines. The increase continues the upgrade program.                         |
| Stryker Armored Vehicle       | 58             | 286,818 | 14,347  | 58                         | 286,818 | 14,347  | 58                                      | 286,818 | 14,347  | 58                              | 286,818 | 14,347  |   |
| Ground Combat Vehicle         |                | 0.0     | 639,874 |                            | 0.0     | 639,874 |   | 0.0     | 639,874 |                                 | 0.0     | 639,874 |   |
| Armored Multi-Purpose Vehicle |                | 0.0     | 74,095  |                            | 0.0     | 74,095  |   | 0.0     | 74,095  |                                 | 0.0     | 74,095  |   |
| Joint Light Tactical Vehicle  |                | 0.0     | 116,795 |                            | 0.0     | 116,795 |   | 0.0     | 116,795 |                                 | 0.0     | 116,795 |   |
| Paladin howitzer Upgrade      | 17             | 206,101 | 167,797 | 17                         | 206,101 | 167,797 | 17                                      | 206,101 | 167,797 | 17                              | 206,101 | 167,797 |   |

|                                 |    | <b>FY2013<br/>Request</b> |   | <b>House-passed<br/>Authorization</b> |         |   | <b>Senate<br/>Committee-reported<br/>Authorization</b> |         |   | <b>Authorization<br/>Conference report</b> |         |   |
|---------------------------------|----|---------------------------|---|---------------------------------------|---------|---|--|---------|---|--|---------|---|
| Hercules<br>recovery<br>vehicle | 31 | 107,909                   | — | 51                                    | 169,909 | — | 31   | 230,909 | — | 51   | 169,909 | — |

**Table A-4. Congressional Action on Selected FY2013 Army Ground Combat Programs: Appropriation**

(amounts in thousands of dollars)

|                               | FY2013 Request |         |         | House-passed Appropriation |         |         | Senate Committee-reported Appropriation |         |         | Appropriation Conference report |         |         |   |
|-------------------------------|----------------|---------|---------|----------------------------|---------|---------|---|---------|---------|---------------------------------|---------|---------|---|
|                               | Procurement    |         | R&D     | Procurement                |         | R&D     | Procurement                             |         | R&D     | Procurement                     |         | R&D     |   |
|                               | #              | \$      | \$      | #                          | \$      | \$      | #                                       | \$      | \$      | #                               | \$      | \$      |   |
| M-2 Bradley Mods              |                | 148,193 | 82,586  |                            | 288,193 | 82,586  |   | 148,193 | 82,586  |                                 | 288,193 | 82,586  | Request assumed shutdown from 2014 to 2016 of Pennsylvania plant that upgrades early-model Bradleys with improved electronics and engines. House bill and conference report continue the upgrade program. |
| M-1 Abrams tank Mods          |                | 129,090 | —       |                            | 129,090 | —       |   | 129,090 | —       |                                 | 129,090 | —       |   |
| M-1 Abrams tank Upgrade       |                | 74,433  | 97,278  |                            | 255,433 | 97,278  |   | 165,433 | 97,278  |                                 | 255,433 | 97,278  | Request assumed shutdown from 2014 to 2016 of Ohio plant that upgrades early-model M-1s with improved electronics, armor and engines. Increased funding continues the upgrade program.                    |
| Stryker Armored Vehicle       | 58             | 286,818 | 14,347  | 58                         | 286,818 | 14,347  | 58                                      | 286,818 | 14,347  |                                 | 286,818 | 14,347  |   |
| Ground Combat Vehicle         |                |         | 639,874 |                            |         | 639,874 |   |         | 639,874 |                                 | —       | 639,874 |   |
| Armored Multi-Purpose Vehicle |                |         | 74,095  |                            |         | 74,095  |   |         | 16,995  |                                 | —       | 57,695  |   |
| Joint Light Tactical Vehicle  |                |         | 116,795 |                            |         | 116,795 |   |         | 104,977 |                                 | —       | 104,977 |   |
| Paladin howitzer Upgrade      | 17             | 206,101 | 167,797 | 17                         | 206,101 | 167,797 | 17                                      | 206,101 | 167,797 |                                 | 206,101 | 167,797 |   |
| Hercules recovery vehicle     | 31             | 107,909 | —       | 49                         | 169,909 | —       | 31                                      | 230,909 | —       | —                               | 169,909 | —       |   |



**Table A-5. Congressional Action on Selected FY2013 Shipbuilding and Modernization Programs: Authorization**  
(amounts in thousands of dollars)

|                            | FY2013 Request |           |         | House-passed Authorization |           |         | Senate Committee-reported Authorization |           |         | Authorization Conference report |           |         |  |
|----------------------------|----------------|-----------|---------|----------------------------|-----------|---------|---|-----------|---------|---------------------------------|-----------|---------|--|
|                            | Procurement    |           | R&D     | Procurement                |           | R&D     | Procurement                             |           | R&D     | Procurement                     |           | R&D     |  |
|                            | #              | \$        | \$      | #                          | \$        | \$      | #                                       | \$        | \$      | #                               | \$        | \$      |  |
| CVN-21 Carrier             | 1              | 608,195   | 159,554 | 1                          | 608,195   | 159,554 | 1                                       | 608,195   | 159,554 | 1                               | 605,295   | 159,544 | The projected \$11.4 billion total procurement cost of this carrier, <i>John F. Kennedy</i> (CVN-79), scheduled for delivery in 2022, is to be spread across 12 budgets (FY2007-18).   |
| Carrier Refueling Overhaul | 1              | 1,683,402 |         | 1                          | 1,683,402 |         | 1                                       | 1,683,402 |         | 1                               | 1,683,402 |         | The projected \$4.5 billion total cost of refueling and modernizing the carrier <i>Abraham Lincoln</i> (CVN-72) scheduled for completion in 2016, is to be spread across six budgets (FY2009-14)   |
| Virginia-class submarine   | 2              | 4,092,479 | 165,230 | 2                          | 4,870,479 | 165,230 | 2                                       | 4,870,158 | 165,230 | 2                               | 4,870,158 | 165,230 | Request includes \$3.2 billion for two subs and \$875 million for long lead-time components for one sub to be funded in FY2014 and two to be funded in FY2015. Conference report adds \$778 million to buy long lead-time components for a second FY2014 sub |
| SSBN(X)                    |                |           | 564,912 |                            |           | 939,312 |   |           | 564,912 |                                 |           | 564,912 | Request includes \$483.1 million to design a replacement missile-launching sub and \$81.8 million to develop its nuclear powerplant. House bill would have increased the ship design funding by \$374.4 million.   |
| DDG-1000 Destroyer         |                | 669,222   | 124,655 |                            | 669,222   | 124,655 |   | 669,222   | 124,655 |                                 | 669,222   | 124,655 | Provides components for three ships funded largely funded in FY2007 and FY2009 budgets, slated for delivery in FY2014 through FY2018 at a total cost of \$11.9 billion.  |
| DDG-51 Destroyer           | 2              | 3,514,941 |         | 2                          | 3,629,941 |         | 2                                       | 3,514,941 |         | 2                               | 3,514,941 |         | Request includes \$3.0 billion for two ships and \$466 million for long lead-time components for future ships acquired under a multi-year (FY2013-FY2017) contract.  |

|   | FY2013 Request |           |         |  | House-passed Authorization |           |         |  | Senate Committee-reported Authorization |           |         |  | Authorization Conference report |           |         |  |  |
|---|----------------|-----------|---------|--|----------------------------|-----------|---------|--|---|-----------|---------|--|---------------------------------|-----------|---------|--|--|
| Cruiser modernization                     | 101,000        |           |         |  | 184,972                    |           |         |  | 101,000                                 |           |         |  | 184,972                         |           |         |  | In February 2011, DOD projected requesting \$601 million in FY2013 for this multi-year program to modernize the 22 Aegis cruisers currently in service. The actual FY2013 request reflects the Administration's decision to retire the seven oldest cruisers—four in FY2013 and three in FY2014. To keep in service three of the four ships slated for retirement in FY2013, the House bill and the conference report added funds for modernization (including new helicopters) and R&D. <i>[R&amp;D for cruiser and destroyer modernization is funded in a single program.]</i> |
|   | 260,616        |           |         |  | 510,616                    |           |         |  | 260,616                                 |           |         |  | 510,616                         |           |         |  |  |
| Destroyer modernization                   | 452,371        |           |         |  | 452,371                    |           |         |  | 452,371                                 |           |         |  | 452,371                         |           |         |  | Funds one year increment of a \$5.4 billion multi-year program to modernize the Aegis combat system and other components of the 28 oldest DDG-51 class destroyers. <i>[R&amp;D for cruiser and destroyer modernization is funded in a single program.]</i>   |
| Improved Anti-aircraft/Anti-Missile radar | 223,621        |           |         |  | 223,621                    |           |         |  | 223,621                                 |           |         |  | 223,621                         |           |         |  | Funds development of Advanced Missile Defense Radar (AMDR) slated to equip modified DDG-51s funded starting in FY2016. FY2013 request is \$93.6 million less than had been projected in February 2011.   |
| Littoral Combat Ship (LCS)                | 4              | 1,784,959 | 429,420 |  | 4                          | 1,784,959 | 429,420 |  | 4                                       | 1,784,959 | 429,420 |  | 4                               | 1,784,959 | 429,420 |  |  |
| LCS Combat Modules                        | 102,608        |           | 195,824 |  | 102,608                    |           | 195,824 |  | 102,608                                 |           | 195,824 |  | 102,608                         |           | 195,824 |  | Request funds procurement of modularized equipment sets with which an LCS can carry out minesweeping, counter-small boat or anti-submarine missions.   |
| Joint High-Speed Vessel                   | 1              | 189,196   | 1,932   |  | 1                          | 189,196   | 1,932   |  | 1                                       | 189,196   | 1,932   |  | 1                               | 189,196   | 1,932   |  |  |

**Table A-6. Congressional Action on Selected FY2013 Shipbuilding and Modernization Programs: Appropriation**  
(amounts in thousands of dollars)

|                            | FY2013 Request |           |         | House-passed Appropriation |           |         | Senate Committee-reported Appropriation |           |         | Appropriation Conference report |           |         |  |
|----------------------------|----------------|-----------|---------|----------------------------|-----------|---------|---|-----------|---------|---------------------------------|-----------|---------|--|
|                            | Procurement    |           | R&D     | Procurement                |           | R&D     | Procurement                             |           | R&D     | Procurement                     |           | R&D     |  |
|                            | #              | \$        | \$      | #                          | \$        | \$      | #                                       | \$        | \$      | #                               | \$        | \$      |  |
| CVN-21 Carrier             | 1              | 608,195   | 159,554 | 1                          | 578,295   | 159,554 | 1                                       | 564,371   | 159,554 | 1                               | 565,371   | 159,554 | The projected \$11.4 billion total procurement cost of this carrier, <i>John F. Kennedy</i> (CVN-79), scheduled for delivery in 2022, is to be spread across 12 budgets (FY2007-FY2018).   |
| Carrier Refueling Overhaul | 1              | 1,683,402 | —       | 1                          | 1,683,402 | —       | 1                                       | 1,683,402 | —       | 1                               | 1,683,402 | —       | The projected \$4.5 billion total cost of refueling and modernizing the carrier <i>Abraham Lincoln</i> (CVN-72) scheduled for completion in 2016, is to be spread across six budgets (FY2009-FY2014)   |
| Virginia-class submarine   | 2              | 4,092,479 | 165,230 | 2                          | 4,815,479 | 180,230 | 2                                       | 4,870,158 | 75,230  | 2                               | 4,870,158 | 90,230  | Request includes \$3.2 billion for two subs and \$875 million for long lead-time components for one sub to be funded in FY2014 and two to be funded in FY2015. House bill would add \$723 million and the Senate bill \$778 million to buy long lead-time components for a second FY2014 sub. Senate bill and conference report reduced funding for million from request to develop enlarged version of the sub to carry more weapons and sensors. |
| SSBN(X)                    |                | —         | 564,912 |                            | —         | 939,312 |   | —         | 564,912 |                                 | —         | 564,912 | Request includes \$483.1 million to design a replacement missile-launching sub and \$81.8 million to develop its nuclear powerplant.   |
| DDG-1000 Destroyer         |                | 669,222   | 124,655 |                            | 669,222   | 124,655 |   | 669,222   | 124,655 |                                 | 669,222   | 124,655 | Provides components for three ships funded largely in FY2007 and FY2009 budgets, slated for delivery in FY2014 through FY2018 at a total cost of \$11.9 billion.   |
| DDG-51 Destroyer           | 2              | 3,514,941 | —       | 3                          | 4,502,911 | —       | 3                                       | 4,514,941 | —       | 3                               | 4,502,911 | —       | Request includes \$3.0 billion for two ships and \$466 million for long lead-time components for future ships acquired under a multi-year (FY2013-FY2017) contract for nine ships. Additional funds are for a third ship in FY2013 which would be the 10 <sup>th</sup> ship under the contract.  |

| FY2013 Request                            |   |           |         | House-passed Appropriation |           |         | Senate Committee-reported Appropriation |           |         | Appropriation Conference report |           |         |  |         |
|---|---|-----------|---------|----------------------------|-----------|---------|---|-----------|---------|---------------------------------|-----------|---------|--|---------|
| Cruiser modernization                     |   |           |         |                            |           |         |   |           |         |                                 |           |         | In February 2011, DOD projected requesting \$601 million in FY2013 for this multi-year program to modernize the 22 Aegis cruisers currently in service. The actual FY2013 request reflects the Administration's decision to retire the seven oldest cruisers—four in FY2013 and three in FY2014. The House bill added funds to modernize and keep in service three of the four cruisers slated for retirement in FY2013. <i>[R&amp;D for cruiser and destroyer modernization is funded in a single program.]</i><br><br>*The Senate committee bill and conference report added \$2.38 billion to modernize and retain in service through FY2014 all seven cruisers plus two amphibious ships the Administration planned to retire. |         |
|   |   | 101,000   |         | 607,660                    |           |         | 101,000*                                |           |         | 101,000*                        |           |         |  |         |
|   |   |           | 260,616 |                            |           | 260,616 |   | 260,616   |         |                                 | 260,616   |         |  |         |
| Destroyer modernization                   |   |           |         |                            |           |         |   |           |         |                                 |           |         | Funds one year increment of a \$5.4 billion multi-year program to modernize the Aegis combat system and other components of the 28 oldest DDG-51 class destroyers. <i>[R&amp;D for cruiser and destroyer modernization is funded in a single program.]</i>   |         |
|   |   | 452,371   |         | 412,656                    |           |         | 452,371                                 |           |         | 412,656                         |           |         |  |         |
| Improved Anti-aircraft/Anti-Missile radar |   |           |         |                            |           |         |   |           |         |                                 |           |         | Funds development of Advanced Missile Defense Radar (AMDR) slated to equip modified DDG-51s funded starting in FY2016. FY2013 request is \$93.6 million less than had been projected in February 2011.   |         |
|   |   | —         | 223,621 | —                          |           | 223,621 |   | —         |         | 223,621                         |           | —       |  | 223,621 |
| Littoral Combat Ship (LCS)                | 4 | 1,784,959 | 223,681 | 4                          | 1,784,959 | 233,681 | 4                                       | 1,784,959 | 211,181 | 4                               | 1,784,959 | 221,181 |  |         |
| LCS Combat Modules                        |   | 102,608   | 195,824 |                            | 102,608   | 158,024 |   | 102,608   | 195,824 |                                 | 102,608   | 195,824 |  |         |
| Joint High-Speed Vessel                   | 1 | 189,196   | 1,932   | 1                          | 189,196   | 1,932   | 1                                       | 189,196   | 1,932   | 1                               | 189,196   | 1,932   |  |         |

**Table A-7. Congressional Action on Selected FY2013 Space Programs: Authorization**

(amounts in thousands of dollars)

|  | FY2013 Request |           |         | House-passed Authorization |           |         | Senate Committee-reported Authorization |           |         | Authorization Conference report |           |         |   |
|--|----------------|-----------|---------|----------------------------|-----------|---------|---|-----------|---------|---------------------------------|-----------|---------|---|
|  | Procurement    |           | R&D     | Procurement                |           | R&D     | Procurement                             |           | R&D     | Procurement                     |           | R&D     |   |
|  | #              | \$        | \$      | #                          | \$        | \$      | #                                       | \$        | \$      | #                               | \$        | \$      |   |
| Advanced EHF Satellite                   |                | 557,205   | 229,171 |                            | 557,205   | 227,671 |   | 557,205   | 227,671 |                                 | 547,205   | 227,671 | Request funds purchase of fifth and sixth of a new type of communications satellite with greater capacity and jam-resistance than earlier types |
| GPS III Satellite                        | 2              | 492,910   | 690,587 | 2                          | 492,910   | 689,087 | 2                                       | 492,910   | 689,087 | 2                               | 492,910   | 689,087 | Request funds improved navigation satellites to sustain a 24 satellite constellation  |
| Evolved Expendable Launch Vehicle (EELV) | 4              | 1,679,856 | 7,980   | 4                          | 1,679,856 | 7,980   | 4                                       | 1,679,856 | 7,980   | 4                               | 1,679,856 | 7,980   |   |
| SBIR High                                | 2              | 454,251   | 448,594 | 2                          | 454,251   | 446,594 | 2                                       | 454,251   | 446,594 | 2                               | 454,251   | 446,594 | Request funds purchase of the fifth and sixth of a new type of infra-red sensor satellites to detect ballistic missile launches                 |
| “Space Fence”                            |                | 0.0       | 252,578 |                            | 0.0       | 252,578 |   | 0.0       | 252,578 |                                 | 0.0       | 252,578 | Continues development of “Space Fence” to monitor orbital debris that could endanger U.S. satellites  |

**Table A-8. Congressional Action on Selected FY2013 Space Programs: Appropriation**

(amounts in thousands of dollars)

|  | FY2013 Request |           |         | House-passed Appropriation |           |         | Senate Committee-reported Appropriation |           |         | Appropriation Conference report |           |         |  |
|--|----------------|-----------|---------|----------------------------|-----------|---------|---|-----------|---------|---------------------------------|-----------|---------|--|
|  | Procurement    |           | R&D     | Procurement                |           | R&D     | Procurement                             |           | R&D     | Procurement                     |           | R&D     |  |
|  | #              | \$        | \$      | #                          | \$        | \$      | #                                       | \$        | \$      | #                               | \$        | \$      |  |
| Advanced EHF Satellite                   |                | 557,205   | 229,171 |                            | 547,205   | 199,171 |   | 463,205   | 257,671 |                                 | 477,205   | 231,171 | Request funds purchase of fifth and sixth of a new type of communications satellite with greater capacity and jam-resistance than earlier types. |
| GPS III Satellite                        | 2              | 492,910   | 690,587 | 2                          | 492,910   | 652,287 | 2                                       | 492,910   | 689,087 | 2                               | 492,910   | 669,087 | Request funds improved navigation satellites to sustain a 24 satellite constellation   |
| Evolved Expendable Launch Vehicle (EELV) | 4              | 1,679,856 | 7,980   | 4                          | 1,679,856 | 32,980  | 4                                       | 1,459,856 | 7,980   | 4                               | 1,459,856 | 32,980  |  |
| SBIR High                                | 2              | 454,251   | 448,594 | 2                          | 454,251   | 516,594 | 2                                       | 378,651   | 466,594 | 2                               | 394,251   | 531,594 | Request funds purchase of the fifth and sixth of a new type of infra-red sensor satellites to detect ballistic missile launches                  |
| “Space Fence”                            |                | 0.0       | 252,578 |                            | 0.0       | 215,478 |   | 0.0       | 252,578 |                                 | 0.0       | 215,478 | Continues development of “Space Fence” to monitor orbital debris that could endanger U.S. satellites   |



**Table A-9. Congressional Action on Selected FY2013 Aircraft and Long-Range Missile Programs: Authorization**  
(amounts in thousands of dollars)

| FY2013 Request   |    |           |             | House-passed Authorization |           |             | Senate Committee-reported Authorization |           |             | Authorization Conference report |           |           |  |
|--|----|-----------|-------------|----------------------------|-----------|-------------|---|-----------|-------------|---------------------------------|-----------|-----------|--|
| Procurement  |    | R&D       | Procurement |                            | R&D       | Procurement |   | R&D       | Procurement |                                 | R&D       |           |  |
| #  | \$ | \$        | #           | \$                         | \$        | #           | \$                                      | \$        | #           | \$                              | \$        |           |  |
| Fixed Wing Tactical Combat Aircraft  |    |           |             |                            |           |             |   |           |             |                                 |           |           |  |
| F-35A Joint Strike Fighter and Mods, AF (conventional takeoff version)   | 19 | 3,417,702 | 1,210,306   | 19                         | 3,353,702 | 1,210,306   | 19                                      | 3,417,702 | 1,210,306   | 19                              | 3,417,702 | 1,207,999 |  |
| F-35B Joint Strike Fighter, Marine Corps (STOVL version)   | 6  | 1,510,936 | 737,149     | 6                          | 1,510,936 | 733,949     | 6                                       | 1,510,936 | 737,149     | 6                               | 1,452,136 | 733,949   |  |
| F-35C Joint Strike Fighter, Navy (Carrier-based version)   | 4  | 1,072,812 | 743,926     | 4                          | 1,072,812 | 740,726     | 4                                       | 1,072,812 | 743,926     | 4                               | 1,054,012 | 740,726   |  |
| [F-35 Joint Strike Fighter, total]   |    |           |             |                            |           |             |   |           |             |                                 |           |           |  |
| F-35 Fighter Mods  |    | 147,995   | 8,117       |                            | 147,995   | 8,117       |   | 147,995   | 8,117       |                                 | 147,995   | 8,117     |  |
| F-22 Fighter Mods  |    | 283,871   | 511,767     |                            | 283,871   | 511,767     |   | 283,871   | 511,767     |                                 | 283,871   | 511,767   |  |
| F-15 Fighter Mods  |    | 148,378   | 192,677     |                            | 148,378   | 192,677     |   | 148,378   | 192,677     |                                 | 148,378   | 192,677   |  |
| F-16 Fighter Mods  |    | 6,896     | 190,257     |                            | 6,896     | 190,257     |   | 6,896     | 190,257     |                                 | 6,896     | 190,257   |  |
| EA-18G Electronic Warfare Acft.  | 12 | 1,027,443 | 13,009      | 12                         | 1,042,443 | 13,009      | 12                                      | 1,027,443 | 13,009      | 12                              | 1,059,443 | 13,009    |  |
| Request includes no funds for long-lead components to continue procurement in FY2014; House bill and conference report add funds adds for long-lead components to allow future production. |    |           |             |                            |           |             |   |           |             |                                 |           |           |  |
| F/A-18E/F Fighter  | 26 | 2,065,427 |             | 26                         | 2,019,427 |             | 26                                      | 2,125,427 |             | 26                              | 2,047,427 |           |  |

Request includes no funds for long-lead components to continue procurement in FY2014; House bill and conference report add funds adds for long-lead components to allow future production.

|  | FY2013 Request |           |        | House-passed Authorization |           | Senate Committee-reported Authorization |           |           | Authorization Conference report |           |           |   |
|--|----------------|-----------|--------|----------------------------|-----------|---|-----------|-----------|---------------------------------|-----------|-----------|---|
| F/A-18 Fighter Mods                                    | 688,549        | 188,299   |        | 688,549                    | 188,299   |   | 688,549   | 188,299   |                                 | 680,549   | 170,299   |   |
| A-10 Attack Plane Mods                                 | 89,919         | 13,358    |        | 89,919                     | 13,358    |   | 89,919    | 13,358    |                                 | 173,919   | 13,358    |   |
| Long-Range Strike Aircraft and Missiles                |                |           |        |                            |           |   |           |           |                                 |           |           |   |
| Long-Range Strike (Aircraft)                           | 0.0            | 291,742   |        | 0.0                        | 291,742   |   | 0.0       | 291,742   |                                 | 0.0       | 291,742   |   |
| B-1B Bomber Mods                                       | 149,756        | 16,265    |        | 149,756                    | 16,265    |   | 149,756   | 16,265    |                                 | 149,756   | 16,265    |   |
| B-2A Bomber Mods                                       | 82,296         | 317,026   |        | 82,296                     | 317,026   |   | 82,296    | 302,026   |                                 | 82,296    | 302,026   |   |
| B-52 Bomber Mods                                       | 9,781          | 53,208    |        | 9,781                      | 53,208    |   | 9,781     | 53,208    |                                 | 9,781     | 53,208    |   |
| Trident II Missile Mods                                | 1,224,683      | 101,295   |        | 1,224,683                  | 101,295   |   | 1,224,683 | 101,295   |                                 | 1,214,683 | 101,295   | Request funds service-life extension of multi-warhead, nuclear-armed, sub-launched ballistic missiles |
| Conventional Prompt Global Strike                      | 0.0            | 110,383   |        | 0.0                        | 110,383   |   | 0.0       | 110,383   |                                 | 0.0       | 110,383   |   |
| Fixed-Wing and Tilt-Rotor Cargo and Transport Aircraft |                |           |        |                            |           |   |           |           |                                 |           |           |   |
| C-130 variants, including Mods                         | 7              | 1,114,021 | 50,299 | 7                          | 1,114,021 | 50,299                                  | 7         | 1,114,021 | 50,299                          | 7         | 1,114,021 | 50,299  |
| C-5 Mods,  |                | 1,127,586 | 35,115 |                            | 1,127,586 | 35,115                                  |           | 1,127,586 | 35,115                          |           | 1,127,586 | 35,115  |
| C-17 Mods  |                | 205,079   | 99,225 |                            | 205,079   | 99,225                                  |           | 205,079   | 99,225                          |           | 205,079   | 99,225  |
| C-27 Joint Cargo Aircraft                              |                | 0.0       | 0.0    |                            | 115,000   | 25,000                                  |           | 0.0       | 0.0                             |           | 0.0       | 0.0   |
| V-22 Osprey, including Mods                            | 21             | 2,025,426 | 84,261 |                            | 2,025,426 | 84,261                                  |           | 2,025,426 | 84,261                          |           | 2,013,686 | 84,261  |
| Fixed-Wing Surveillance and Tanker Aircraft            |                |           |        |                            |           |   |           |           |                                 |           |           |   |

|   |    | FY2013 Request |           | House-passed Authorization |           | Senate Committee-reported Authorization |           | Authorization Conference report |           |    |           |         |  |
|---|----|----------------|-----------|----------------------------|-----------|---|-----------|---------------------------------|-----------|----|-----------|---------|--|
| KC-46 Tanker                                |    | 0.0            | 1,815,588 | 0.0                        | 1,815,588 | 0.0                                     | 1,728,458 | 0.0                             | 1,738,488 |    |           |         |  |
| E-8C Joint Stars                            |    | 59,320         | 24,241    | 59,320                     | 24,241    | 71,320                                  | 24,241    | 71,320                          | 24,241    |    |           |         |  |
| P-8A Poseidon                               | 13 | 2,746,434      | 421,102   | 13                         | 2,746,434 | 421,102                                 | 13        | 2,746,434                       | 421,102   | 13 | 2,712,731 | 421,102 |  |
| P-3/EP-3 Mods                               |    | 227,809        | 3,451     | 227,809                    | 3,451     | 227,809                                 | 3,451     | 227,809                         | 3,451     |    |           |         |  |
| E-2D Hawkeye                                | 5  | 984,677        | 119,065   | 5                          | 984,677   | 119,065                                 | 5         | 984,677                         | 119,065   | 5  | 984,677   | 119,065 |  |
| E-3A AWACS<br>Mods                          |    | 193,099        | 65,200    | 193,099                    | 65,200    | 193,099                                 | 65,200    | 193,099                         | 65,200    |    |           |         |  |
| <b>Rotary-Wing Aircraft (including SOF)</b> |    |                |           |                            |           |   |           |                                 |           |    |           |         |  |
| UH-60 Blackhawk                             | 59 | 1,222,200      | 83,255    | 59                         | 1,222,200 | 29,155                                  | 59        | 1,222,200                       | 29,155    | 59 | 1,222,200 | 29,155  |  |
| Blackhawk Mods                              |    | 200,584        |           |                            | 200,584   |   |           | 200,584                         |           |    | 200,584   |         |  |
| AH-64 Apache<br>Block III                   | 50 | 1,055,936      | 124,450   | 50                         | 1,055,936 | 124,450                                 | 48        | 984,936                         | 124,450   | 50 | 1,055,936 | 124,450 | Request would remanufacture 40 helos and buy 10 new ones, all with improved electronics and weaponry |
| Apache Mods                                 |    | 178,805        |           |                            | 178,805   |   |           | 178,805                         |           |    | 178,805   |         |  |
| CH-47 Chinook                               | 44 | 1,390,682      | 78,091    | 44                         | 1,390,682 | 78,091                                  | 44        | 1,390,682                       | 78,091    | 44 | 1,390,682 | 78,091  | Request would remanufacture 19 helos and buy 25 new ones, all with improved electronics and engines  |
| Chinook Mods                                |    | 173,920        |           |                            | 173,920   |   |           | 173,920                         |           |    | 173,920   |         |  |
| Light Utility<br>Helicopter                 | 34 | 271,983        |           | 34                         | 271,983   |   | 34        | 271,983                         |           | 34 | 271,983   |         |  |
| OH-58 Kiowa<br>Upgrade                      |    | 389,529        | 98,623    | 389,529                    | 98,623    | 389,529                                 | 98,623    | 389,529                         | 98,623    |    | 389,529   | 98,623  |  |
| Huey/SuperCobra<br>Upgrades                 | 28 | 820,391        | 31,105    | 28                         | 820,391   | 31,105                                  | 28        | 820,391                         | 31,105    | 28 | 820,391   | 31,105  |  |
| MH-60R/S<br>Seahawk                         | 37 | 1,296,831      | 36,609    | 42                         | 1,466,831 | 36,609                                  | 37        | 1,296,831                       | 36,609    | 42 | 1,466,831 | 36,609  |  |
| CH-53K                                      |    | 0.0            | 606,204   | 0.0                        | 606,204   | 0.0                                     | 606,204   | 0.0                             | 606,204   |    | 0.0       | 606,204 |  |

| FY2013 Request  |  |           |           | House-passed Authorization |   |           |           | Senate Committee-reported Authorization |           |           |         | Authorization Conference report |  |  |  |
|---|--|-----------|-----------|----------------------------|---|-----------|-----------|---|-----------|-----------|---------|---------------------------------|--|--|--|
| Unmanned Aerial Systems (including Mods)                            |  |           |           |                            |   |           |           |   |           |           |         |                                 |  |  |  |
| Predator and Reaper   |  | 1,673,727 | 231,711   | 1,891,027                  |   | 231,711   | 1,732,127 |   | 231,711   | 1,887,127 |         | 231,711                         |  |  |  |
| Global Hawk   |  | 147,035   | 1,103,857 | 201,111                    |   | 1,103,857 | 95,911    |   | 1,103,857 | 252,235   |         | 1,103,857                       |  |  |  |
| Unmanned Combat Air Vehicle (UCAV)                                  |  |           | 142,282   |                            |   | 217,282   |           |   | 142,282   |           |         | 142,282                         |  |  |  |
| Unmanned Carrier-Launched Airborne Surveillance and Strike (UCLASS) |  |           | 122,481   |                            |   | 47,481    |           |   | 122,481   |           |         | 122,481                         |  |  |  |
| Fire Scout  |  | 6         | 141,073   | 99,600                     | 6 | 141,073   | 99,600    | 6                                       | 141,073   | 99,600    | 141,073 | 99,600                          |  |  |  |
| Shadow  |  |           | 153,663   | 39,621                     |   | 153,663   | 39,621    |   | 153,663   | 39,621    | 153,663 | 39,621                          |  |  |  |
| Raven   |  |           | 30,178    | 4,534                      |   | 30,178    | 4,534     |   | 30,178    | 4,534     | 30,178  | 4,534                           |  |  |  |

**Table A-10. Congressional Action on Selected FY2013 Aircraft and Long-Range Missile Programs: Appropriation**  
(amounts in thousands of dollars)

| FY2013 Request   |             |                    |                    | House-passed Appropriation |                    |                    | Senate Committee-reported Appropriation |                    |                    | Appropriation Conference report |                    |                    | Comments |
|--|-------------|--------------------|--------------------|----------------------------|--------------------|--------------------|---|--------------------|--------------------|---------------------------------|--------------------|--------------------|----------|
| Procurement  |             | R&D                |                    | Procurement                |                    | R&D                | Procurement                             |                    | R&D                | Procurement                     |                    | R&D                |          |
| #  | \$          | \$                 |                    | #                          | \$                 | \$                 | #                                       | \$                 | \$                 | #                               | \$                 | \$                 |          |
| <b>Fixed Wing Tactical Combat Aircraft</b>                             |             |                    |                    |                            |                    |                    |   |                    |                    |                                 |                    |                    |          |
| F-35A Joint Strike Fighter and Mods, AF (conventional takeoff version) | 19          | 3,417,702          | 1,210,306          | 19                         | 3,244,702          | 1,210,306          | 19                                      | 3,417,702          | 1,169,589          | 19                              | 3,332,702          | 1,169,589          |          |
| F-35B Joint Strike Fighter, Marine Corps (STOVL version)               | 6           | 1,510,936          | 737,149            | 6                          | 1,343,835          | 733,949            | 6                                       | 1,452,136          | 722,149            | 6                               | 1,347,835          | 718,949            |          |
| F-35C Joint Strike Fighter, Navy (Carrier-based version)               | 4           | 1,072,812          | 743,926            | 4                          | 998,569            | 740,726            | 4                                       | 1,054,012          | 720,209            | 4                               | 998,579            | 720,209            |          |
| <b>F-35 Joint Strike Fighter, total</b>                                | <b>(29)</b> | <b>(6,001,450)</b> | <b>(2,691,381)</b> | <b>(29)</b>                | <b>(5,587,106)</b> | <b>(2,684,981)</b> | <b>(29)</b>                             | <b>(5,923,850)</b> | <b>(2,611,947)</b> | <b>(929)</b>                    | <b>(5,679,116)</b> | <b>(2,608,747)</b> |          |
| F-35 Fighter Mods  |             | 147,995            | 8,117              |                            | 30,195             | 0.0                |   | 147,995            | 8,117              |                                 | 87,896             | 0.0                |          |
| F-22 Fighter Mods  |             | 283,871            | 511,767            |                            | 333,871            | 511,767            |   | 288,871            | 482,767            |                                 | 288,271            | 505,267            |          |
| F-15 Fighter Mods  |             | 148,378            | 192,677            |                            | 148,378            | 192,677            |   | 210,878            | 171,677            |                                 | 210,878            | 171,677            |          |
| F-16 Fighter Mods  |             | 6,896              | 190,257            |                            | 6,896              | 190,257            |   | 6,896              | 176,757            |                                 | 6,896              | 176,757            |          |
| EA-18G Electronic Warfare Acft.  | 12          | 1,027,443          | 13,009             | 12                         | 985,965            | 13,009             | 12                                      | 1,074,443          | 13,009             | 12                              | 985,965            | 13,009             |          |
| F/A-18E/F Fighter  | 26          | 2,065,427          | 0.0                | 37                         | 2,627,861          | 0.0                | 26                                      | 2,006,427          | 0.0                | 37                              | 2,611,861          | 0.0                |          |
| F/A-18 Fighter Mods  |             | 688,549            | 188,299            |                            | 641,262            | 168,299            |   | 667,149            | 170,299            |                                 | 631,262            | 169,299            |          |

|  |   |           | FY2013 Request |         | House-passed Appropriation |         | Senate Committee-reported Appropriation |           |           | Appropriation Conference report |  |        | Comments  |
|--|---|-----------|----------------|---------|----------------------------|---------|---|-----------|-----------|---------------------------------|--|--------|---|
| A-10 Attack Plane Mods                                 |   |           | 89,919         | 13,538  | 89,919                     | 13,538  | 251,119                                 | 11,538    | 251,119   | 11,538                          | Senate committee bill and conference report add \$161 million to retain A-10s the budget would retire. |        |   |
| Long-Range Strike Aircraft and Missiles                |   |           |                |         |                            |         |   |           |           |                                 |  |        |   |
| Long-Range Strike (Aircraft)                           |   |           | 0.0            | 291,742 | 0.0                        | 291,742 | 0.0                                     | 291,742   | 0.0       | 291,742                         |  |        |   |
| B-1 Bomber Mods  |   |           | 149,756        | 16,265  | 149,756                    | 16,265  | 149,756                                 | 16,265    | 149,756   | 16,265                          |  |        |   |
| B-2 Bomber Mods  |   |           | 82,296         | 317,026 | 82,296                     | 317,026 | 82,296                                  | 317,026   | 82,296    | 317,026                         |  |        |   |
| B-52 Bomber Mods                                       |   |           | 9,781          | 53,208  | 9,781                      | 18,508  | 9,781                                   | 53,208    | 9,781     | 18,508                          |  |        |   |
| Trident II Missile Mods                                |   |           | 1,224,683      | 101,295 | 1,224,683                  | 101,295 | 1,211,983                               | 101,295   | 1,199,883 | 101,295                         | Request funds service-life extension of multi-warhead, nuclear-armed, sub-launched ballistic missiles  |        |   |
| Conventional Prompt Global Strike                      |   |           | 0.0            | 110,383 | 0.0                        | 110,383 | 0.0                                     | 200,383   | 0.0       | 200,383                         |  |        |   |
| Fixed-Wing and Tilt-Rotor Cargo and Transport Aircraft |   |           |                |         |                            |         |   |           |           |                                 |  |        |   |
| C-130 variants, including Mods                         | 7 | 1,114,021 | 54,691         | 14      | 1,573,021                  | 59,691  | 8                                       | 1,347,258 | 36,391    | 9                               | 1,798,023  | 66,038 |   |
| C-5 Mods,  |   | 1,127,586 | 35,115         |         | 1,053,586                  | 35,115  |   | 1,062,586 | 35,115    |                                 | 1,057,566  | 35,115 |   |
| C-17 Mods  |   | 205,079   | 99,225         |         | 205,079                    | 99,225  |   | 205,079   | 86,225    |                                 | 205,079  | 86,225 |   |
| C-27 Joint Cargo Aircraft                              |   | 0.0       | 0.0            |         | 115,000                    | 25,000  |   | 137,863   | 6,500     |                                 | 137,883  | 6,500  | Added funds retain C-27s the budget would retire. |



|   |    | FY2013 Request |           |    | House-passed Appropriation |           | Senate Committee-reported Appropriation |           | Appropriation Conference report |    | Comments  |           |  |
|---|----|----------------|-----------|----|----------------------------|-----------|---|-----------|---------------------------------|----|-----------|-----------|--|
| V-22 Osprey, including Mods.                | 21 | 2,025,426      | 84,261    | 22 | 2,080,686                  | 75,261    | 22                                      | 2,084,426 | 84,261                          | 22 | 2,080,426 | 79,261    |  |
| C-40 executive transport                    |    | 0.0            | 0.0       |    | 0.0                        | 0.0       | 2                                       | 158,000   | 0.0                             | 1  | 79,000    | 0.0       |  |
| Fixed-Wing Surveillance and Tanker Aircraft |    |                |           |    |                            |           |   |           |                                 |    |           |           |  |
| KC-46 Tanker                                |    | 0.0            | 1,815,588 |    | 0.0                        | 1,815,588 |   | 0.0       | 1,738,488                       |    | 0.0       | 1,738,488 |  |
| E-8C Joint Stars                            |    | 59,320         | 24,241    |    | 49,020                     | 24,241    |   | 59,320    | 24,241                          |    | 49,020    | 24,241    |  |
| P-8A Poseidon                               | 13 | 2,746,434      | 421,102   | 13 | 2,712,731                  | 436,102   | 13                                      | 2,710,888 | 394,102                         | 13 | 2,710,888 | 46,102    |  |
| P-3/EP-3 Mods                               |    | 227,809        | 3,451     |    | 218,309                    | 3,451     |   | 223,249   | 3,451                           |    | 213,649   | 3,451     |  |
| E-2D Hawkeye                                | 5  | 984,677        | 119,065   | 5  | 937,677                    | 119,065   | 5                                       | 984,677   | 129,065                         | 5  | 956,677   | 128,065   |  |
| E-3A AWACS Mods                             |    | 193,099        | 65,200    |    | 193,099                    | 48,900    |   | 169,599   | 65,200                          |    | 169,599   | 48,900    |  |
| Rotary-Wing Aircraft (including SOF)        |    |                |           |    |                            |           |   |           |                                 |    |           |           |  |
| UH-60 Blackhawk                             | 59 | 1,222,200      | 83,255    | 69 | 1,441,100                  | 29,155    | 62                                      | 1,318,500 | 19,055                          | 70 | 1,477,700 | 29,155    |  |
| Blackhawk Mods                              |    | 200,584        | 0.0       |    | 220,584                    | 0.0       |   | 447,184   | 0.0                             |    | 310,584   | 0.0       |  |
| AH-64 Apache Block III                      | 50 | 1,055,936      | 124,450   | 51 | 1,090,936                  | 124,450   | 56                                      | 1,174,336 | 124,450                         | 53 | 1,131,236 | 124,450   |  |
| Apache Mods                                 |    | 178,805        | 0.0       |    | 178,805                    | 0.0       |   | 178,805   | 0.0                             |    | 178,805   | 0.0       |  |
| CH-47 Chinook                               | 44 | 1,390,682      | 78,091    | 44 | 1,390,682                  | 78,091    | 52                                      | 1,596,982 | 78,091                          |    | 1,500,682 | 78,091    |  |
| Chinook Mods                                |    | 173,920        | 0.0       |    | 192,420                    | 0.0       |   | 192,420   | 0.0                             |    | 222,720   | 0.0       |  |
| Light Utility Helicopter                    | 34 | 271,983        | 0.0       | 37 | 295,980                    | 0.0       | 34                                      | 271,983   | 0.0                             | 35 | 275,982   | 0.0       |  |

|   |    | FY2013 Request |         |    | House-passed Appropriation |         | Senate Committee-reported Appropriation |           |         | Appropriation Conference report |           |         | Comments   |
|---|----|----------------|---------|----|----------------------------|---------|---|-----------|---------|---------------------------------|-----------|---------|--|
| OH-58 Kiowa Upgrade   |    | 376,384        | 90,494  |    | 376,384                    | 90,494  |   | 189,484   | 90,494  |                                 | 240,484   | 90,494  |  |
| Huey/SuperCobra Upgrades  | 28 | 820,391        | 31,105  | 30 | 856,733                    | 31,105  | 29                                      | 885,003   | 31,105  |                                 | 882,303   | 31,105  | Does not include funds for additional helicopters associated with continued operation of cruisers the Administration would have retired. |
| MH-60R/S Seahawk  | 37 | 1,296,831      | 36,609  | 42 | 1,459,207                  | 36,609  | 37                                      | 1,296,831 | 36,609  | 37                              | 1,262,852 | 36,609  |  |
| CH-53K  |    | 0.0            | 606,204 |    | 0.0                        | 606,204 |   | 0.0       | 606,204 |                                 | 0.0       | 606,204 |  |
| Unmanned Aerial Systems (including Mods)                            |    |                |         |    |                            |         |   |           |         |                                 |           |         |  |
| Predator and Reaper   | 43 | 1,673,643      | 236,068 | 55 | 1,859,643                  | 236,068 | 43                                      | 1,558,123 | 223,268 | 55                              | 1,564,123 | 236,068 |  |
| Global Hawk   |    | 147,035        | 893,748 |    | 254,035                    | 909,748 |   | 145,535   | 893,748 |                                 | 252,535   | 909,748 |  |
| Unmanned Combat Air Vehicle (UCAV)                                  |    |                | 142,282 |    | 0.0                        | 142,282 |   | 0.0       | 142,282 |                                 | 0.0       | 142,282 |  |
| Unmanned Carrier-Launched Airborne Surveillance and Strike (UCLASS) |    |                | 122,481 |    | 0.0                        | 122,481 |   | 0.0       | 102,481 |                                 | 0.0       | 102,481 |  |
| Fire Scout  | 6  | 141,073        | 104,600 | 6  | 124,573                    | 33,600  | 6                                       | 141,073   | 104,600 | 6                               | 132,823   | 97,600  |  |
| Shadow  |    | 153,663        | 39,621  |    | 153,663                    | 39,621  |   | 58,589    | 32,621  |                                 | 78,589    | 32,021  |  |
| Raven   |    | 30,178         | 4,534   |    | 30,178                     | 4,534   |   | 30,178    | 4,534   |                                 | 30,178    | 4,534   |  |

## **Author Information**

Pat Towell  
Specialist in U.S. Defense Policy and Budget

---

## **Disclaimer**

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.